



Since 1943

# JAYABHARAT CREDIT LIMITED

*The Name That Inspires Confidence.*

**74<sup>th</sup> Annual Report 2016 - 2017**

**Registered Office:**

19/20, Rajabhadur Mansion, 4<sup>th</sup> Floor, Opp. SBI Main branch, Near Stock Exchange,  
Mumbai Samachar Marg, Fort, Mumbai 400023

CIN: L66000MH1943PLC003899

Tel.: 22643023, 22643022 • Fax: 22643023

Email: [jcl@jayabharat.com](mailto:jcl@jayabharat.com) • Website: [www.jayabharat.com](http://www.jayabharat.com)

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**BOARD OF DIRECTORS**

: Mr. RAJIV GUPTA  
Mr. ARUN MITTER  
Mr. M K MADAN  
MS. SUMANA VERMA  
Mr. GAURAV AGARWAL Independent Director  
Mr. VISHNU SINGHAL Independent Director

**AUDITORS**

: SANDEEP R. TAMHANE  
Chartered Accountants

**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.

**Kolkata**

: Chitrakoot Building, 5th Floor,  
230A, Acharya Jagdishchandra Bose Road,  
Kolkata 700 020.

**New Delhi**

: 17-B, Asaf Ali Road,  
New Delhi 110 002.



## NOTICE

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

Date	12.09.2017
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.

### ORDINARY BUSINESS:

1. To consider and adopt the financial statements for the year ended 31st March, 2017 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. Rajiv Gupta, who retires by rotation, and is eligible for re-appointment.
3. To appoint a Director in the place of Shri Arun Mitter, who retires by rotation, and is eligible for re-appointment.
4. To appoint statutory auditors and fix their remuneration.

“RESOLVED THAT pursuant to the provisions of Sections 139.142 and other applicable provisions ,if any , of the Companies Act,2013 read with Companies (Audit and Auditors) Rules,2014, as may be applicable and pursuant to the recommendations of the Audit Committee M/s Sandeep R. Tamhane , Chartered Accountants(FCA 46206) , be appointed as statutory auditors of the Company, in place of retiring auditors M/s Sharp and Tannan (Registration No 109982w) to hold office from the conclusion of 74th Annual General Meeting (AGM) until the conclusion of the 79th Annual General Meeting (AGM), subject to ratification by members every year, as applicable, at such remuneration and out of pocket expenses , as may be decided by the Board of Directors of the Company”.

### SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Mr. Gaurav Agarwal (DIN:02276353) who was appointed as an additional Director of the Company, categorized as Independent Director by the Board of Directors, in terms of Section 161 of the Companies Act, 2013 and in respect of whom Company has received a notice in writing under Section 160 of the Companies Act,2013 from a member proposing Mr. Gaurav Agarwal for the office of the Director, be and is hereby appointed as Independent Director of the Company with effect from 01.10.2016 to 30.09.2021, not applicable to retire by rotation.”

6. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules,2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Mr. Vishnu Singhal (DIN:02421372) who was appointed as an Additional Director of the Company, categorized as Independent Director by the Board of Directors, in terms of Section 161 of the Companies Act, 2013 and in respect of whom Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing Mr. Vishnu Singhal for the office of the Director, be and is hereby appointed as Independent Director of the Company with effect from 01.10.2016 to 30.09.2021, not applicable to retire by rotation.”

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

**ARUN MITTER**  
Director  
[DIN 00022941]

New Delhi, 06<sup>th</sup> June, 2017

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

**ANNEXURE TO THE NOTICE**

**BRIEF RESUME OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT AND EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013 AND ANNEXURE TO NOTICE.**

**1) Director being re-appointed by rotation (Resolution at item no 2)**

**Name : Mr. Rajiv Gupta**  
**Age & Date of Birth : 71 years (13.08.1946)**  
**Qualification : B.E. (IIT, Delhi)**

**Experience in specific Functional Area**

Sh. Rajiv Gupta is Bachelor in Engineering from IIT, Delhi. He has been associated with Leasing & Hire Purchase business since, 1969.

He has extensive business experience and all around knowledge on issues concerning hire purchase, leasing, corporate finance, real estate and administration. His continued association with the company as its helmsman is concerned absolutely necessary.

**Other Directorship:**

The Motor & General Finance Limited, India Lease Development Ltd, Bahubali Services Ltd, Associated Traders & Engg Ltd, Upper India Hire Purchase Co Association Ltd., MGF Securities Pvt Ltd, Grosvenor Estates Pvt Ltd, Gee Gee Holdings Pvt Ltd, Ram Prakash & Co Pvt Ltd, MGF Estates Pvt Ltd, Cards Services Ltd and Local Goods Carriers Pvt Ltd.

**Committee Membership**

**The Motor & General Finance Ltd**

Nomination and Remuneration Committee  
 Stakeholders Relationship Committee

**India Lease Development Ltd**

Audit Committee  
 Nomination and Remuneration Committee  
 Stakeholders Relationship Committee

**Jayabharat Credit Ltd**

Audit Committee - Chairman  
 Nomination and Remuneration Committee - Chairman  
 Stakeholders Relationship Committee

Sh. Rajiv Gupta holds 4550 shares i.e.0.09 % of the total paid up Capital of the Company.

**2) Director being re-appointed by rotation (Resolution at item no 3)**

**Name : Mr. Arun Mitter**  
**Age & Date of Birth : 55 years (27.11.1962)**  
**Qualification : B.Com ACA**

**Experience in specific Functional Areas**

Mr. Arun Mitter, a qualified Chartered Accountant, He has extensive business experience in general and financial management of corporate bodies. His continued association with the Company is considered necessary in the interest of the Company.

**Other Directorships:**

The Motor & General Finance Limited, MGF Developments Ltd, India Lease Development Ltd, Bahubali Services Ltd, Upper India Hire Purchase Co Association Ltd, Technofab Engineering Ltd, Ram Prakash & Co Pvt Ltd, Discovery Holdings Pvt. Ltd, Grosvenor Estates Pvt Ltd, Gee Gee Holdings Pvt Ltd, MGF Securities Pvt Ltd, North Delhi Metro Mall Pvt Ltd, Cards Services India Pvt Ltd, MGF Promotions & Events Pvt Ltd, MGF Estates Management Pvt Ltd, Metroplex Construction Pvt Ltd, Vishnu Apartments Pvt Ltd and MGF Market Place Mall Management Pvt Ltd.

**Committee Memberships:**

**The Motor & General Finance Ltd**

Audit Committee  
 Stakeholders Relationship Committee

**India Lease Development Ltd**

Audit Committee - Chairman  
 Nomination and Remuneration Committee - Chairman

**Jayabharat Credit Ltd**

Stakeholders Relationship Committee - Chairman

**Technofab Engineering Ltd**

Audit Committee - Chairman  
 Nomination & Remuneration Committee  
 Stakeholders Relationship Committee

Mr. Arun Mitter holds Nil shares i.e. 0.00 % of the total paid up Capital of the Company.



## EXPLANATORY STATEMENT PURSUANT TO THE SECTION 102 OF THE COMPANIES ACT, 2013.

The Companies Act, 2013 ("the Act") provides for appointment of Independent Directors for a term up to five consecutive years. Further the Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent Directors by a Listed Company.

The following Directors are Independent Directors viz Mr. Gaurav Agarwal, Mr. Vishnu Singhal on the board of the Company.

### Item No 5.

The Board of Directors of the Company on 01st October, 2016, have appointed Mr. Gaurav Agarwal (DIN:0226353) as an Additional Director of the Company, categorized as Independent Director, in terms of Section 161 of the Companies Act, 2013. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act, proposing the candidature of Mr. Gaurav Agarwal for the office of Independent Director of the Company, to be appointed as such under the provisions of Section 149 and 152 of the Companies Act, 2013. The Company has received (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014, from Mr. Gaurav Agarwal to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) Declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. In terms of Schedule IV of the Companies Act, 2013, the Board is of the opinion that Mr. Gaurav Agarwal fulfils the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the Listing Regulations and is independent of the management. A copy of the draft letter of appointment, setting out the terms and conditions of appointment of Mr. Gaurav Agarwal, is available for inspection, without any fee, by the members at the Company's Registered Office during normal hours on working days up to the date of the AGM. Mr. Gaurav Agarwal is a Commerce graduate having good knowledge and vast experience of Banking and Finance his presence on the Board will be of immense value to the Company. Considering his knowledge and experience, the Board recommends the resolution in relation to appointment of Mr. Gaurav Agarwal as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Gaurav Agarwal being appointee, none of the other Directors of the Company and their relatives is concerned or interested, in the resolution set out at Item No 5

### Item No.6.

The Board of Directors of the Company on 01st October, 2016, have appointed Mr. Vishnu Singhal (DIN:02421372) as an Additional Director of the Company, categorized as Independent, in terms of Section 161 of the Companies Act, 2013. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act, proposing the candidature of Mr. Vishnu Singhal for the office of Independent Director of the Company, to be appointed as such under the provisions of Section 149 and 152 of the Companies Act, 2013. The Company has received (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014, from Mr. Vishnu Singhal to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) Declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. In terms of Schedule IV of the Companies Act, 2013, the Board is of the opinion that Mr. Vishnu Singhal fulfils the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the Listing Regulations and is independent of the management. A copy of the draft letter of appointment, setting out the terms and conditions of appointment of Mr. Vishnu Singhal, is available for inspection, without any fee, by the members at the Company's Registered Office during normal hours on working days up to the date of the AGM. Mr. Vishnu Singhal is a member of "the Institute of Chartered Accountants of India" and having good knowledge and vast experience of Banking and Finance his presence on the Board will be of immense value to the Company. Considering his knowledge and experience, the Board recommends the resolution in relation to appointment of Mr. Vishnu Singhal as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Vishnu Singhal being appointee, none of the other Directors of the Company and their relatives is concerned or interested, in the resolution set out at Item No 6.

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

**ARUN MITTER**  
Director  
[DIN 00022941]

New Delhi, 06<sup>th</sup> June, 2017

**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 05.09.2017 to 12.09.2017 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. Pursuant to Section 205A and 205C of the Companies Act, 1956, the dividend amounts remaining unpaid or unclaimed for a period of seven years from the date they became due for payment, accordingly unpaid/ unclaimed dividend starting with 2007-08 has already been transferred to Investor Education and Protection Fund. Shareholders are requested to verify their records and send claims, if any, upto the aforesaid year, please arrange to send a letter duly signed by all the shareholder/s quoting your Folio No. / DP ID – CL ID to our Registrars: Sharex Dynamic (India) Pvt. Ltd., Unit No 1, Luthara Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai 400 072 Tel: 2851 5644 / 2851 5606 Fax: 2851 2885 email: Sharexindia @vsnl.com., www.sharexindia.com
- 8) Please inform us your PAN and E-Mail ID to update our records.
- 9) Please note that for change of address in case of holding shares in physical mode, you are requested to send a letter duly signed by shareholder(s) along with certified copies of Electricity or Telephone Bill and Ration Card and PAN Card in support of your changed address. Only on receipt of these documents and on satisfying that the same are in order, the Company will record the change of address and send you a confirmation.
- 10 Company's Shares are under compulsory demat form.
- 11 In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules,2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically as per the resolutions mentioned in the notice of 74th Annual General Meeting of the Company.
- 12 The voting period begins on Friday 08.09.2017 at 9.00 a.m. and ends on Monday 11.09.2017 at 5.00 p.m. during this period shareholders' of the Company ,holding shares either in physical form or in dematerialized form ,as on the cut-off date of 05.09.2017, may cast their vote electronically. Thereafter the e-voting module shall be disabled by CDSL for voting.
- 13 The voting rights of shareholders shall be proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 05.09.2017.
- 14 Shri V Sundaram, Practicing Company Secretary (Certificate of Practicing Number 3373) has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- 15 The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witness not in the employment of the Company and make Scrutinizer 's Report of the votes cast in favour or against, if any, forthwith of the Chairman.
- 16 The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

**IMPORTANT**

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

**Sharex Dynamic (India) Pvt. Ltd.** , Unit No.1, Luthara Ind.Premises, safed Pool, Andheri Kurla Road , Andheri (E), Mumbai 400 072, Tel: 2851 5644/ 2851 5606 Fax: 2851 2885 Emal: Sharexindia @vsnl.com web: www.sharexindia.com



## DIRECTORS' REPORT

To  
Our Shareholders,

Your Directors have pleasure in presenting the 74th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2017.

		2016-17 ( Rs. in Lacs )	2015-16 ( Rs. in Lacs )
1.	Income:		
	(a) Asset Financing	65.15	0
	(b) Recovery for NPA & Bad-Debts W/off	0	0
	(c) Other Operational Income	0	0
	(d) Other Income	0	43.75
2.	Gross Profit/loss before Depreciation & Income tax	(177.81)	(337.40)
3.	Depreciation	1.92	1.95
4.	Tax Provision	0	0
5.	Profit+ / Loss(-) After Depreciation and Income Tax	(179.73)	(339.35)

### 1. OPERATIONS:

The Company has already repaid its liability in favour of Banks viz: Bank of Baroda, Bank of India and Central Bank of India. Public deposits are also repaid out of regular collection (support from Promoters) and also from the settlement of legal cases of Hire Purchase and Leasing Transactions. The Company has opened an Escrow Account with Bank of India and deposited the outstanding of Public Deposit of Rs.3.89 Lacs, during the year. At present as on 31.03.2017 the outstanding of Public Deposit is Rs.1.89 Lacs.

### 2. DIVIDEND:

The business activities of the Company are gradually discontinued and the main thrust is given upon the collection, therefore, the earnings are not adequate enough and your directors are constrained not to recommend dividend.

### 3. RESERVES:

During the year under review, the Company has not transferred any amount to Reserves:

- (i) Special/Statutory Reserve -Nil and General Reserve –Nil.

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

The Company has complied with RBI guidelines. For the time being, the Company has differed disbursement / investment in Business activities and Public deposit as such maintenance of Capital Adequacy Ratio is not applicable as the Company does not have any deposit except Rs.1.89Lacs in Escrow Account as directed by R.B.I.

### 5. DEPOSITS

Total unpaid Fixed Deposit liability as on 31.03.2017 is Rs.1.89 Lacs. The balance amount of outstanding deposit lying in Escrow Account with Asaf Ali Road, New Delhi. The respective depositor's claim will now be cleared through Escrow Account opened with them.

### 6. DIRECTORATE:

- i) Mr. Rajiv Gupta and Shri Arun Mitter Directors, retires by rotation and are eligible for reappointment as Director of the Company.
- ii) Mr. Gaurav Agarwal and Mr. Vishnu Singhal on the recommendations of Nomination and Remuneration Committee were appointed as Independent Directors not liable to retire by rotation. However, as per Section 149 of Companies Act, 2013, it is necessary to appoint these Directors as Independent Directors. The Company has received the requisite notices from members along with the deposit of requisite amount under Section 160 of the Act, proposing their candidature for the office of Independent Directors of the Company.
- iii) The Company has received declarations from above named Directors confirming that they meet with the criteria of Independent Directors prescribed under section 149(6) of the Companies Act, 2013.

Profiles of these Directors, as required by Clause 49 of the Listing Agreement with Stock Exchange, are given in the Notice Convening the forthcoming Annual General Meeting.

The above appointments form a part of the Notice convening the forthcoming Annual General Meeting and Resolutions are recommended for your approval.

**7. DIRECTORS' RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134(3)(C), the Board confirm and submit the Directors' Responsibility Statement :-

- 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, 2013 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**

Auditors Report for the year is as under with qualification, if any.

**Basis for Adverse Opinion**

Trade receivables and long term loans and advances outstanding as on March 31, 2017 amounts to Rs. 59.99 crores. In the absence of appropriate documentation/ reconciliation/ confirmation with the concern parties, we are unable to ascertain the recoverability of such receivables and long term loans and advances. In the opinion of the management this amount will be received and hence no provision in the books has been made till date.

On November 18, 2016, the Company has voluntarily surrendered its Certificate of Registration (COR) as Non-Banking Financial Company (Deposit Accepting) to Reserve Bank of India and as on date Reserve Bank of India has not confirmed the cancellation of certificate of registration of the Company as Non-Banking Financial Company. However in the opinion of management the provisions of Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction 2007 are not applicable and as such no provision for aforesaid trade receivables and long term loans and advances amounting to Rs. 59.99 crores as specified in regulation is made by the Company.

Had Company made the aforesaid provision as prescribed by Reserve Bank of India vide Non-Banking Financial Company Directions 2007, the loss for the year ended March 31, 2017 would have increased from Rs. 1.79 crores to Rs. 61.79 crores and loss carried in the balance sheet for the year ended March 31, 2017 would have been increased from Rs. 6.96 crores to Rs. 66.96 crores.

**Management's comments**

In reply to the adverse report by the Auditors on the recovery of the receivables and its non provision has been duly explained and covered by the Auditors in their Report and as such, do not call for further comments.

The management is pursuing with the RBI to take appropriate action in regard to the Company's surrender of Certificate of Registration.

**9. AUDITORS :**

M/s Sharp and Tannan Chartered Accountants, Mumbai ,who retire at the conclusion of this Annual General Meeting of the Company and have expressed their inability to offer themselves for re-appointment due to expiry of their 10 years term as Statutory Auditors of the Company.

It is proposed by the Company, to appoint Mr. Sandeep R. Tamhane, Chartered Accountants as Statutory Auditors of the Company. The Company has received a letter from the Auditors that their appointment as Statutory Auditors, if made, would be within the limits prescribed under Section 139 of the Companies Act, 2013. On recommendation of The Audit Committee, the Board has approved and recommended the appointment of Mr. Sandeep R. Tamhane, Chartered Accountants, as Statutory Auditors to hold office for five years from the conclusion of this Annual General Meeting till the conclusion of the 79th Annual General Meeting, subject to the ratification of their appointment at every Annual General Meeting.

Members are requested to consider and appoint Mr.Sandeep R. Tamhane, Chartered Accountants, as Statutory Auditors of the Company.

**10. CHANGE IN REGISTRAR AND TRANSFER AGENTS**

Securities and Exchange Board of India (SEBI), has passed an interim order dated March 22, 2016 against Sharepro Services ("Sharepro") inter alia restraining Sharepro and several entities linked with the management of Sharepro Services (India) Pvt Ltd., till further directions. They have also been advised to carry out /switchover their activities related to Registrar to Issue and Share Transfer Agent, either in-house or through another Registrar to Issue or Share Transfer Agent registered with SEBI.



# JAYABHARAT CREDIT LIMITED

Accordingly, the Company has appointed M/s Sharex Dynamic (India) Pvt. Ltd as Registrar and Transfer Agent with effect from 02nd May, 2016.

## 11. DEMATERIALISATION OF SHARES:

The 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, after sending remainder request to the shareholders.

Financial year	No. of Shares		Total shares demated	% age	Cumulative total	
	N S D L	C D S L	During the period		No of Shares	%
2014-2015	736	298	1,034	0.02	47,45,776	94.91
2015-2016	2850	948	3798	0.07	47,49,705	94.99
2016-2017	10716	0	10716	0.21	47,60,421	95.21

## 12. COMPLIANCE BY THE COMPANY

The Company has generally 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, except during the period under review on account of shortage of staff, there was some delay in filing the quarterly results with the Stock Exchange. The application has been submitted in the office of the Stock Exchange to condone the delay.

## 13. PERSONNEL:

There is no person in receipt of remuneration for giving particulars as is required under Section 197(12) of the Companies Act, 2013 read with Rules 5(1), (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 143(3)(m) of the Act read with Rules 8 of the Companies (Accounts) Rules, 2014 is given as under :-

a)	Technology	Being a Finance Company, the same is not applicable	
b)	Conservation of Energy	Being a Finance Company, the same is not applicable	
c)	Transactions in Foreign Currency	This Year	Previous Year
i)	Expenditure in Foreign currency Loan	Nil	Nil
ii)	Shares held by Non-Resident Shareholders	19492	19492
	No. of shareholders	18	18

NOTE: The Company has no earnings in foreign exchange

## 15. 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.

## 16. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed Messrs V. Sundaram & Co., a firm of Company Secretaries in Practice (C.P.No.3373) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included in the Directors' Report and forms an integral part of this Report and is annexed as Annexure II.

## 17. 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 viz: Bank of Baroda, Bank of India and Central Bank of India, 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, 06th June, 2017



## INDEPENDENT AUDITOR'S REPORT To the Members of Jayabharat Credit Limited

### Report on the Financial Statements

We have audited the accompanying standalone financial statements of Jayabharat Credit Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Company's Directors as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Basis for Adverse Opinion

Trade receivables and long term loans and advances outstanding as on March 31, 2017 amounts to Rs. 59.99 crores. In the absence of appropriate documentation/ reconciliation/ confirmation with the concern parties, we are unable to ascertain the recoverability of such receivables and long term loans and advances. In the opinion of the management this amount will be received and hence no provision in the books has been made till date.

On November 18, 2016, the Company has voluntarily surrendered its Certificate of Registration (COR) as Non-Banking Financial Company (Deposit Accepting) to Reserve Bank of India and as on date Reserve Bank of India has not confirmed the cancellation of certificate of registration of the Company as Non-Banking Financial Company. However in the opinion of management the provisions of Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction 2007 are not applicable and as such no provision for aforesaid trade receivables and long term loans and advances amounting to Rs. 59.99 crores as specified in regulation is made by the Company.

Had Company made the aforesaid provision as prescribed by Reserve Bank of India vide Non-Banking Financial Company Directions 2007, the loss for the year ended March 31, 2017 would have increased from Rs. 1.79 crores to Rs. 61.79 crores and loss carried in the balance sheet for the year ended March 31, 2017 would have been increase from Rs. 6.96 crore to Rs. 66.96 crores.

### Adverse Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Adverse Opinion paragraph above, the aforesaid financial statements do give the information required by the Act, in the manner so required and do give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in case of the balance sheet, the state of affairs of the Company as at 31st March, 2017;
- b. in case of the statement of profit and loss, the loss for the year ended as on that date; and
- c. in the case of the cash flow statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act and on the basis of such checks of the books of account and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure 'A'** a Statement on



matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;
- (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'B';

(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

- (i) The Company has disclosed the impact of pending litigation on its financial position in its financial statement. Refer Note 2.15 to the financial statement.
- (ii) We are informed that the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) According to the information and explanations given to us there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**SHARP & TANNAN**

Chartered Accountants

Firm's Registration No.109982W

by the hand of

**Vinayak M. Padwal**

Membership No. 049639

Partner

Place: Mumbai

Date: 6th June 2017

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

- |  |   |
|--|---|
| <p>(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.</p> <p>(b) As explained to us, fixed assets have been physically verified by the management at regular intervals, which in our opinion is reasonable. According to the information and explanation given to us no material discrepancies were noticed on such verification.</p> <p>(c) According to the information and explanations given to us, there are no immovable properties held by the company forming part of fixed assets. Accordingly, the provision of Paragraph 3(i) (c) of the Order is not applicable to the Company.</p> <p>(ii) As explained to us, Company do not hold any inventory. Accordingly, the provision of Paragraph 3(ii) of the Order is not applicable to the company.</p> <p>(iii) According to the information and explanations give to us, the Company has not granted unsecured loans to Companies covered in the register maintained under Section 189 of the Companies Act 2013. Accordingly, the provision of Paragraph 3(iii) of the Order is not applicable to the company.</p> <p>(iv) According to the information and explanation given to us and the records produced before us, in our opinion, the provisions of Sections 185 and 186 of the Companies Act 2013 in respect of loans, investments, guarantees and security are complied by the Company.</p> <p>(v) In our opinion and according to the information and explanation 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 and the provision of Section 73-76 and any other relevant provision of the Companies Act, 2013 and the rules framed there under. As at the Balance sheet date, only unclaimed matured deposits are outstanding.</p> <p>(vi) As informed to us, the central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the companies Act, 2013, for the product / services of the Company. Accordingly, the provision of paragraph 3(vi) of the Order is not applicable to the Company.</p> <p>(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state Insurance, income tax, service tax, cess and any other statutory dues, where applicable, to the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding</p> | <p>statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.</p> <p>(b) According to the information and explanations given to us there are no material dues of duty of excise, service tax which have not been deposited with the appropriate authorities on account of dispute.</p> <p>(viii) In our opinion and according to the information and explanations given to us there has been no default in repayment of loans or borrowings to financial institution. The Company has not taken any loans or borrowings from bank, government. The Company has not issued any debentures.</p> <p>(ix) In our opinion and according to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments) and term loan. Accordingly, the provision of paragraph 3(ix) of the Order is not applicable to the Company.</p> <p>(x) According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees noticed or reported during the course of our audit.</p> <p>(xi) According to the information and explanations given to us, the provisions of Section 197 read with Schedule V to the Companies Act, 2013 in respect of managerial remuneration, no managerial remuneration has been paid by the company.</p> <p>(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the Paragraph 3(xii) of the Order is not applicable to the Company.</p> <p>(xiii) According to the information and explanations given to us, based on examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act 2013, where applicable and the relevant details have been disclosed in the financial statements etc., as required by the applicable Accounting Standards.</p> <p>(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the Paragraph 3(xiv) of the Order is not applicable to the Company.</p> <p>(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, the Paragraph 3(xv) of the Order is not applicable to the Company.</p> |
|--|---|



(xvi) According to the information and explanations given to us, the Company had registered itself on December 8, 1998 under Section 45-IA of the Reserve Bank of India Act, 1934 as Non-Banking Financial Company (Deposit Accepting). On November 18, 2016, the Company has voluntarily surrendered its Certificate of Registration (COR) to Reserve Bank of India and as on date Reserve Bank of India has not confirmed the cancellation of certificate of registration of the Company as Non-Banking Financial Company.

**SHARP & TANNAN**

Chartered Accountants

Firm's Registration No.109982W

by the hand of

**Vinayak M. Padwal**

Membership No. 049639

Partner

Place: Mumbai

Date: 6th June 2017

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

Report on the Internal Financial Controls Under Clause (i) of Sub- Section 3 of Section 143 of the Companies Act, 2013("the Act")

We have audited the internal financial controls over financial reporting of Jay Bharat Credit Limited (the 'Company') as of 31st March, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is not sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

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

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**SHARP & TANNAN**

Chartered Accountants

Firm's Registration No.109982W

by the hand of

**Vinayak M. Padwal**

Membership No. 049639

Partner

Place: Mumbai

Date: 6th June 2017



# JAYABHARAT CREDIT LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	5,00,00,000	5,00,00,000
(b) Reserves and surplus	4	2,71,68,342	4,51,41,570
		<b>7,71,68,342</b>	<b>9,51,41,570</b>
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	5	51,55,17,000	49,20,57,000
(b) Other long-term liabilities	6	36,09,796	67,31,284
(c) Long-term provisions	7	75,000	75,000
		<b>51,92,01,796</b>	<b>49,88,63,284</b>
<b>3 Current liabilities</b>			
(a) Trade payables	8	-	32,46,216
(b) Other current liabilities	9	41,67,056	1,38,28,668
(c) Short-term provisions	10	39,75,382	32,43,878
		<b>81,42,438</b>	<b>2,03,18,762</b>
<b>TOTAL (1+2+3)</b>		<b>60,45,12,576</b>	<b>61,43,23,616</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	31,22,336	33,14,980
(b) Deferred tax assets (net)	25	3,36,385	3,36,385
(c) Long-term loans and advances	12	46,13,86,238	46,13,83,822
		<b>46,48,44,959</b>	<b>46,50,35,187</b>
<b>2 Current assets</b>			
(a) Current investments	13	2,00,000	2,00,000
(b) Trade receivables	14	13,85,69,614	14,84,75,531
(c) Cash and cash equivalents	15	7,67,055	4,96,166
(d) Other current assets	16	1,30,948	1,16,732
		<b>13,96,67,617</b>	<b>14,92,88,429</b>
<b>TOTAL (1+2)</b>		<b>60,45,12,576</b>	<b>61,43,23,616</b>

See accompanying notes forming part of the financial statements

As per our report attached

**SHARP & TANNAN**

Chartered Accountants

Registration No: 109982W

by the hand of

**VINAYAK M PADWAL**

Partner

Membership No : 049639

Place : Mumbai

Date : 06<sup>th</sup> June, 2017

For and on behalf of the Board of Directors

**RAJIV GUPTA**

[DIN 00022964]

**ARUN MITTER**

[DIN 00022941]

**M.K MADAN**

[DIN 01060575]

**Ms. SUMANA VERMA**

[DIN 03451756]

Chairman

} Directors

Place : New Delhi

Date : 06<sup>th</sup> June, 2017

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

Particulars	Note No.	For the year ended 31st March, 2017 Rupees	For the year ended 31st March, 2016 Rupees
1 Income from Asset Financing	17	64,98,247	-
<b>Income from Asset Financing</b>			-
2 Other income	18	17,005	12,34,570
<b>3 Total revenue (1+2)</b>		<b>65,15,252</b>	<b>12,34,570</b>
<b>4 Expenses</b>			
(a) Employee benefits expense	19	44,61,487	39,52,971
(b) Finance costs	20	1,23,31,535	1,30,38,658
(c) Depreciation and amortisation expense	11	1,92,645	1,95,317
(d) Other expenses	21	75,02,813	2,11,22,710
<b>Total expenses</b>		<b>2,44,88,480</b>	<b>3,83,09,656</b>
<b>5 Profit / (Loss) before exceptional and extraordinary items and tax (3-4)</b>		<b>(1,79,73,228)</b>	<b>(3,70,75,086)</b>
6 Exceptional items		-	-
<b>7 Profit / (Loss) before extraordinary items and tax (5+6)</b>		<b>(1,79,73,228)</b>	<b>(3,70,75,086)</b>
8 Extraordinary items	18.1 -	-	31,40,428
<b>9 Profit / (Loss) before tax (7+8)</b>		<b>(1,79,73,228)</b>	<b>(3,39,34,658)</b>
<b>10 Tax expense:</b>			
(a) Current tax expense for current year		-	-
(b) (Less): MAT credit (where applicable)		-	-
(c) Current tax expense relating to prior years		-	-
(d) Net current tax expense		-	-
(e) Deferred tax		-	-
<b>11 Profit / (Loss) from continuing operations (9+10)</b>		<b>(1,79,73,228)</b>	<b>(3,39,34,658)</b>
<b>12 Profit / (Loss) for the year</b>		<b>(1,79,73,228)</b>	<b>(3,39,34,658)</b>
<b>13 Earnings per share (of Rs 10/- each):</b>			
(a) Basic and Diluted		<b>(3.59)</b>	<b>(6.79)</b>
<b>See accompanying notes forming part of the financial statements</b>			

As per our report attached

**SHARP & TANNAN**

Chartered Accountants

Registration No: 109982W

by the hand of

**VINAYAK M PADWAL**

Partner

Membership No : 049639

Place : Mumbai

Date : 06<sup>th</sup> June, 2017

For and on behalf of the Board of Directors

**RAJIV GUPTA**

[DIN 00022964]

**ARUN MITTER**

[DIN 00022941]

**M.K MADAN**

[DIN 01060575]

**Ms. SUMANA VERMA**

[DIN 03451756]

Chairman

} Directors

Place : New Delhi

Date : 06<sup>th</sup> June, 2017



## Notes forming part of the financial statements: 31st March, 2017

### Note Particulars

#### 1 Corporate information

Jayabharat Credit limited is in the business of Hire Purchase and leasing and is registered with RBI under the status of Non- Banking Finance Company (NBFC) with Deposit taking Company. The Company now as Asset Finance Company. Deposit (NBFC) vide Certificate dated 3rd June, 2008

#### 2 Significant accounting policies

##### Basis of preparation of Financial Statements

2.1 The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention except for categories of fixed assets acquired before 1 April, 2001, that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

##### 2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

##### 2.3 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash balances in current accounts and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

##### 2.4 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

##### 2.5 Depreciation and amortisation

Effective from 1st April, 2014 the Company has charged depreciation based on the revised remaining useful life

of the assets as per the requirement of Schedule II of the Companies Act, 2013 further, based on transitional provision provided in note 7 (b) of schedule II.

#### 2.6 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:

Since the Company has already surrendered the Certificate of Registration to RBI the guidelines issued by the Reserve Bank of India (RBI) in respect of Prudential Norms for Income Recognition and Provisions for Non-Performing Assets. is not applicable to the Company and hence no provisions has been made.

#### 2.7 Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

#### 2.8 Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties. Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.

#### 2.9 Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

##### Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

##### Defined benefit plans

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the



benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

**Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

**Long-term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

**2.10 Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

**2.11 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

**2.12 Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originates in one period and is capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

**2.13 Impairment of assets**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

**2.14 Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

**2.15** The Company has ongoing legal cases filed against customers for the recovery of dues amounting to Rs.669/- Lacs in various Courts. Any adjustment required will be done on conclusion of proceedings.

**2.16 Insurance Claims**

Insurance Claims are accounted for the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.



## NOTE 3: SHARE CAPITAL

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Number of shares	₹	Number of shares	₹
<b>(a) Authorised</b> Equity shares of ₹ 10/- each with voting rights	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
<b>(b) Issued</b> Equity shares of ₹ 10 each with voting rights	50,00,000	5,00,00,000	50,00,000	5,00,00,000
<b>(c) Subscribed and fully paid up</b> Equity shares of `Rs. 10 each with voting rights	50,00,000	5,00,00,000	50,00,000	5,00,00,000
<b>Total</b>	<b>50,00,000</b>	<b>5,00,00,000</b>	<b>50,00,000</b>	<b>5,00,00,000</b>

### Notes:

(i) (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Bonus	Closing Balance
Equity shares with voting rights				
Year ended 31st March, 2017				
- Number of shares	50,00,000	-	-	50,00,000
- Amount (Rupees)	5,00,00,000	-	-	5,00,00,000
Year ended 31st March, 2016				
- Number of shares	50,00,000	-	-	50,00,000
- Amount (Rupees)	5,00,00,000			5,00,00,000

(ii) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
Motor & General Finance Limited.	21,72,300	43.45%	21,72,300	43.45%
Bipin B. Bhavsar	7,46,872	14.94%	7,46,872	14.94%
India Lease Development Limited.	3,12,401	6.25%	3,12,401	6.25%

**NOTE 4 RESERVES AND SURPLUS**

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>(a) Capital reserve</b>		
Opening balance	1,583	1,583
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
<b>Closing balance</b>	<b>1,583</b>	<b>1,583</b>
<b>(b) Securities premium account</b>		
Opening balance	1,00,00,000	1,00,00,000
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
<b>Closing balance</b>	<b>1,00,00,000</b>	<b>1,00,00,000</b>
<b>(c) General reserve</b>		
Opening balance	5,76,18,241	5,76,18,241
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Less: Utilised / transferred during the year for:	-	-
<b>Closing balance</b>	<b>5,76,18,241</b>	<b>5,76,18,241</b>
<b>(d) Reserve u/s 45 - IC of RBI Act, 1934</b>		
Opening balance	2,91,50,000	2,91,50,000
Add: Additions / transfers during the year	-	-
Less: Utilisations / transfers during the year	-	-
<b>Closing balance</b>	<b>2,91,50,000</b>	<b>2,91,50,000</b>
<b>(e) Surplus / (Deficit) in Statement of Profit and Loss</b>	<b>(5,16,28,254)</b>	<b>(1,76,93,596)</b>
Opening balance		(3,39,34,658)
Add: Profit / (Loss) for the year	<b>(1,79,73,228)</b>	
<b>Closing balance</b>	<b>(6,96,01,482)</b>	<b>(5,16,28,254)</b>
<b>Total</b>	<b>2,71,68,342</b>	<b>4,51,41,570</b>



## NOTE 5 LONG-TERM BORROWINGS

Particulars	Non current portion		Current maturities	
	As at 31st March,2017 ₹	As at 31st March, 2016 ₹	As at 31st March,2017 ₹	As at 31st March, 2016 ₹
<b>Unsecured</b>				
Deposits	-	-	-	-
Other loans and advances	-	-	-	-
Intercorporate borrowings	51,55,17,000	49,20,57,000	-	-
<b>Total B</b>	<b>51,55,17,000</b>	<b>49,20,57,000</b>	<b>-</b>	<b>-</b>

### Notes:

(i) Details of terms of repayment for the long-term borrowings:

Particulars	Terms of repayment	As at 31st March,2017		As at 31st March, 2016	
		Secured ₹	Unsecured ₹	Secured ₹	Unsecured ₹
Deposits:					
Public deposits	On date of maturity	-	-	-	-
Inter-corporate deposit 1	After full repayment of public deposits	-	51,55,17,000	-	49,20,57,000
Total Inter-corporate borrowings		-	51,55,17,000	-	49,20,57,000

## NOTE 6 OTHER LONG-TERM LIABILITIES

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Others:		
(i) Interest accrued on others (ICD)	36,09,796	67,31,284
<b>Total</b>	<b>36,09,796</b>	<b>67,31,284</b>

## NOTE 7 LONG-TERM PROVISIONS

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
(a) Provision :		
On Standard Assets	75,000	75,000
<b>Total</b>	<b>75,000</b>	<b>75,000</b>

**NOTE 8 TRADE PAYABLES**

Particulars	As at 31st March, 2017	As at 31st March, 2016
	₹	₹
Trade payables:		
Acceptances	-	-
Other than Acceptances	-	32,46,216
<b>Total</b>	<b>-</b>	<b>32,46,216</b>

**NOTE 9 OTHER CURRENT LIABILITIES**

Particulars	As at 31st March, 2017	As at 31st March, 2016
	₹	₹
(a) Unclaimed matured deposits and interest accrued thereon	1,89,000	24,20,734
(b) Other payables		
(i) Excess Provision for expenses written back	-	32,52,025
(ii) TDS payable	12,63,529	13,53,640
(iii) Advances from customers	2,51,207	9,01,207
(iv) Lease Residual Value	13,16,702	27,05,186
(v) Others Unmatured Finance charges/Audit Fees	11,41,578	31,95,877
<b>Total</b>	<b>41,67,056</b>	<b>1,38,28,669</b>

**NOTE 10 SHORT-TERM PROVISIONS**

Particulars	As at 31st March, 2017	As at 31st March, 2016
	₹	₹
(a) Provision for employee benefits:		
(i) Provision for bonus	1,44,000	1,60,410
(ii) Staff income tax deduction	28,125	-
(iii) Staff LIC Premium Deduction	2,547	-
(iv) Staff P F Deduction A/c	27,035	-
(vii) Staff professional Tax	1,500	-
(vii) Provision for other defined benefit plans(actuarial gratuity)	37,72,175	30,83,468
<b>Total</b>	<b>39,75,382</b>	<b>32,43,878</b>



## NOTE 11 FIXED ASSETS

Tangible assets	Gross block									
	Balance as at 1 April, 2016	Additions	Disposals	Acquisitions through business combinations	Reclassified as held for sale	Revaluation increase	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	Balance as at 31st March, 2017
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Buildings	57,53,246			-	-	-	-	-	-	57,53,246
(b) Furniture and Fixtures	60,73,005	-	-	-	-	-	-	-	-	60,73,005
(d) Office equipment	64,57,940	-	-	-	-	-	-	-	-	64,57,940
<b>Total</b>	<b>1,82,84,191</b>	-	-	-	-	-	-	-	-	<b>1,82,84,191</b>
	1,90,57,416	-	7,73,225	-	-	-	-	-	-	1,82,84,191

Tangible assets	Accumulated depreciation and impairment							Net block		
	Balance as at 1 April, 2016	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Eliminated on reclassification as held for sale	Impairment losses recognised in statement of profit and loss	Reversal of impairment losses recognised in Statement of Profit and Loss	Other adjustments	Balance as at 31st March, 2017	Balance as at 31st March, 2017	Balance as at 31st March, 2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Buildings	26,65,292	77,345	-	-	-	-	-	27,42,637	30,10,609	30,87,954
(b) Furniture and Fixtures	59,17,463	67,052	-	-	-	-	-	59,84,515	88,490	1,55,542
(c) Vehicles	-	-	-	-	-	-	-	-	-	-
(d) Office equipment	63,86,455	48,248	-	-	-	-	-	64,34,703	23,237	71,485
<b>Total</b>	<b>1,49,69,210</b>	<b>1,92,645</b>	-	-	-	-	-	<b>1,51,61,855</b>	<b>31,22,336</b>	<b>33,14,981</b>
Previous year	1,53,15,398	1,95,317	5,41,505					1,49,69,120	33,14,980	37,44,867

## NOTE 12 LONG-TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2017	As at 31st March, 2016
	₹	₹
(a) Security deposits Secured, considered good	<b>3,17,249</b>	3,17,249
(b) Advance income tax (net of provisions)	<b>65,47,950</b>	65,43,027
(c) Other loans and advances Secured, considered good	<b>45,45,21,039</b>	46,98,21,341
<b>Total</b>	<b>46,13,86,238</b>	<b>47,66,81,617</b>

**NOTE 13 CURRENT INVESTMENTS**

Particulars	As at 31st March, 2017			As at 31st March, 2016		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	₹	₹	₹	₹	₹	₹
A. Current portion of long-term investments (At cost)						
(i) Other Investment (Bank)	-	2,00,000	2,00,000	-	2,00,000	2,00,000
<b>Total</b>	-	2,00,000	2,00,000	-	2,00,000	2,00,000

**NOTE 14 TRADE RECEIVABLES**

Particulars	As at 31st March, 2017	As at 31st March, 2016
	₹	₹
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	-	-
Secured, considered good	13,85,69,614	14,84,75,531
<b>Total</b>	13,85,69,614	14,84,75,531

**NOTE 15 CASH AND CASH EQUIVALENTS**

Particulars	As at 31st March, 2017	As at 31st March, 2016
	₹	₹
(a) Balances with banks		
(i) In current accounts	7,67,055	4,96,166
(ii) In earmarked accounts - Unpaid dividend accounts	-	-
<b>Total</b>	7,67,055	4,96,166

**NOTE 16 OTHER CURRENT ASSETS**

Particulars	As at 31st March, 2017	As at 31st March, 2016
	₹	₹
(a) Accruals		
(i) Interest accrued on investments	1,30,948	1,16,732
<b>Total</b>	1,30,948	1,16,732



## NOTE 17 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
(a) Sale of services	-	-
(b) Other operating revenues	65,15,252	-
<b>Total</b>	<b>65,15,252</b>	<b>-</b>

Note Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
(i) Sale of services comprises: on Asset Financing i.e (Hire Purchase) <b>Total - Sale of services</b>	<b>64,98,247</b>	12,34,570
(ii) Other operating revenues comprise: Others - interest income Other Miscellaneous income <b>Total - Other operating revenues</b>	<b>17,005</b>	34,570

## NOTE 18 OTHER INCOME

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
(a) Interest from banks (Refer Note (i) below)	14,216	28,170
(b) Other non-operating income (net of expenses directly attributable to such income) Miscellaneous Income <b>Total</b>	<b>2,789</b>	12,06,400
	<b>17,005</b>	<b>12,34,570</b>

Note Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
(i) Interest income comprises: Interest from banks on: deposits Interest on loans and advances <b>Total - Interest income</b>	<b>14,216</b>	28,170
(ii) Liabilities /Bad debts no longer required, written back.	-	-
(iii) Miscellaneous income (Net of expenses directly attributable <b>Total other non-operating income</b>	<b>2,789</b>	6,400
	<b>2,789</b>	<b>6,400</b>



**Note 18.1 Extraordinary Item**

Note	Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
		₹	₹
(i)	Income from sale of Assets .-Profit on sale of Building	-	31,40,428
	<b>Total</b>	<b>-</b>	<b>31,40,428</b>

**NOTE 19 EMPLOYEE BENEFITS EXPENSE**

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
Salaries and wages	31,94,447	28,83,763
Contributions to provident and other funds	3,05,631	2,97,118
Staff welfare expenses	9,61,614	7,72,090
<b>Total</b>	<b>44,61,487</b>	<b>39,52,971</b>

**NOTE 20 FINANCE COSTS**

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
(a) Interest expense on: Borrowings (ICD)	1,23,31,535	1,30,38,658
<b>Total</b>	<b>1,23,31,535</b>	<b>1,30,38,658</b>



## NOTE 21 OTHER EXPENSES

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
Power and fuel	2,25,355	2,57,848
Rent including lease rentals	9,19,680	9,55,200
Repairs and maintenance - Buildings	15,34,668	9,09,025
Rates and taxes	66,859	12,269
Communication	1,86,584	2,54,969
Directors Fees	1,05,600	68,000
Travelling and conveyance	5,13,185	4,66,766
Printing and stationery	3,29,400	1,57,904
Legal and professional	25,53,922	24,09,368
Payments to auditors (Refer Note (i) below)	2,91,324	68,750
Loss on fixed assets sold	-	-
long-term investments	-	-
Provision for doubtful trade and other receivables, loans and advances (net)	-	1,50,40,300
Miscellaneous expenses	7,76,236	5,22,311
<b>Total</b>	<b>75,02,813</b>	<b>2,11,22,710</b>

Particulars	For the year ended 31 March, 2017 ₹	For the year ended 31 March, 2016 ₹
(i) Payments to the auditors comprises (net of service tax input credit, where applicable) :		
As auditors - statutory audit	2,91,324	68,750
For other services	-	-
<b>Total</b>	<b>2,91,324</b>	<b>68,750</b>

## NOTE 22 DISCLOSURES UNDER ACCOUNTING STANDARDS

### Accounting Standard 15: Employee Benefits

#### Employee benefit plans

##### Defined contribution plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 3,05,631/- (Year ended 31 March, 2016, Rs. 2,97,118/-) for Provident Fund contributions in the Statement of Profit and Loss during the year. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

##### Defined benefit plans

The Company offers the following employee benefit schemes to its employees

#### i. Gratuity

Particulars	Year ended 31st March,2017	Year ended 31st March,2016
<b>Defined Benefit obligation at the beginning</b>		
Current service cost	1,18,783	1,00,750
Interest cost	2,46,677	2,43,285
Prior service Cost - Vested benefit	-	-
Prior service Cost - Not Vested benefit	-	-
Curtailement	-	-
Benefit paid directly by the Company	-	-
Net Transfer in (out) (including the effect of any business combinations/ Divestitures)	-	-
Actural Loss / (Gain) on Obligation	(3,23,247)	(1,88,418)
<b>Defined benefit Obligation at the end</b>	<b>42,213</b>	<b>1,55,617</b>
<b>Actual contribution and benefit payments for year</b>		
Actual benefit payments	-	-
Actual contributions	-	-
<b>Net asset / (liability) recognised in the Balance Sheet</b>		
Present value of defined benefit obligation	37,72,175	30,83,468
Fair value of plan assets	-	-
Funded status [Surplus / (Deficit)]	-	-
Unrecognised past service costs	-	-
<b>Net asset / (liability) recognised in the Balance Sheet</b>	<b>37,72,175</b>	<b>30,83,468</b>
<b>Particulars</b>	<b>For the year ended 31st March, 2017</b>	<b>For the year ended 31st March, 2016</b>
<b>Change in defined benefit obligations (DBO) during the year</b>	<b>30,83,468</b>	<b>30,41,062</b>
Present value of DBO at beginning of the year	1,18,783	1,00,750
Current service cost	2,46,677	2,43,285
Interest Cost	-	-
Actuarial (gains) / losses	3,23,247	1,88,418
Past service cost	-	-
Benefits paid	-	(4,90,047)
Present value of DBO at the end of the year	37,72,175	30,83,468
<b>Actuarial assumptions</b>	<b>7.5% per annum</b>	<b>8% per annum</b>
Discount rate	5% per annum	5% per annum
Salary escalation		



## NOTE 23 DISCLOSURES UNDER ACCOUNTING STANDARDS

### Accounting Standard 18: Related party transactions

#### Details of related parties:

Name	Description of relationship
The Motor & General Finance Limited	Associates

Note: Related parties have been identified by the Management.

#### Details of related party transactions during the year ended 31 March, 2017 and balances outstanding as at 31 March, 2017:

Particulars	Associates	Total
	₹	₹
Finance (including loans and equity contributions in cash or in kind)	3,57,91,535 (3,12,95,658)	3,57,91,535 (3,12,95,658)
<u>Balances outstanding as at 31 March 2017</u>		
Borrowings	52,79,08,953 (49,53,31,286)	52,79,08,953 (49,53,31,286)
Provision for doubtful receivables, loans and advances		

Note: Figures in bracket relates to the previous year

## NOTE 24 DISCLOSURES UNDER ACCOUNTING STANDARDS

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	₹	₹
<b>Accounting Standard 20: Earnings per share</b>		
Basic		
Continuing operations	(1,79,73,228)	(3,39,34,658)
Net profit / (loss) for the year from continuing operations	(1,79,73,228)	(3,39,34,658)
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	(1,79,73,228)	(3,39,34,658)
Weighted average number of equity shares	50,00,000	50,00,000
Par value per share	10	10
Earnings per share from continuing operations - Basic and Diluted	(3.59)	(6.79)

**NOTE 25 DISCLOSURES UNDER ACCOUNTING STANDARDS**

**Accounting Standard 22: Accounting for Taxes on Income**

In compliance with Accounting Standard 22 on 'Accounting for taxes on Income', the Company has not accounted for deferred tax assets on Business Loss under the Income Tax Act, 1961 as there is no reasonable certainty as to when the assets can be realised, and is carrying forward the amount brought forward from earlier years as this amount is expected to be realised.

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	₹	₹
<b>Deferred tax (liability) / asset</b>		
Tax effect of items constituting deferred tax liability		
On difference between book depreciation and tax depreciation	12,38,187	12,38,187
Tax effect of items constituting deferred tax assets		
Provision for compensated absences, gratuity and other employee benefits	15,74,572	15,74,572
<b>Net deferred Tax Assets</b>	<b>3,36,385</b>	<b>3,36,385</b>
<b>Charge to Statement of Profit and Loss Account</b>	-	-

**Note No 26**

**Disclosure pursuant to Gazette Notification no. 244, dt. 30th Mar, 2017 on SBN (Specified Bank Notes) held and transacted during the period 08-Nov-16 to 30-Dec-16**

Particulars	SBNS	Other Denomination Notes
Closing cash in hand as on 08-Nov-2016		
(+) Permitted receipts	Nil	Nil
(-) Permitted Payments	Nil	Nil
(+) amount withdrawn from Banks	Nil	Nil
(-) Amount deposited in banks	Nil	Nil
Closing cash in hand as on 30/12/2016	Nil	Nil

**NOTE NO. 26 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)  
(₹ In lakhs)

Particulars	Amount outstanding	Amount overdue
<b>Liabilities side:</b>		
<b>1 Loans and advance availed by the NBFCs inclusive of interest accrued thereon but not paid:</b>		
(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	5,155.17	
(e) Commercial Paper		
(f) Public Deposits		
(g) Other Loans: Cash Credit facility from banks		



# JAYABHARAT CREDIT LIMITED

(₹ In lakhs)

Particulars	Amount outstanding	Amount overdue
<b>2 Break - up of ( 1 ) ( f ) above ( Outstanding public deposit inclusive of interest accrued thereon but not paid ):</b>		
(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	-	
<b>Assets Side :</b>		
<b>3 Break - up of loans and advances including bills receivables [other than those included in ( 4 ) below] :</b>		
(a) Secured	-	
(b) Unsecured		
<b>4 Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities</b>		
(a) Lease assets including lease rentals under sundry debtors :		
(i) Financial lease	-	
(ii) Operating lease		
(b) Stock on hire including hire charges under sundry debtors :		
(i) Assets on Hire	-	1,385.69
(ii) Repossessed Assets		
(c) Hypothecation loans counting towards EL/HP activities		
(i) Loans where assets have been repossessed	-	
(ii) Loans other than above		4,545.21
<b>5 Break - up of Investments :</b>		
Current Investments :		
(a) Quoted :		
(i) Shares :		
(a) Equity	-	
(b) Preference	-	
(ii) Debentures and bonds	-	
(iii) Units of mutual funds	-	
(iv) Government Securities	-	
(v) Others (please specify)	-	
(b) 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 :		
(a) Quoted :		
(i) Shares :		
(a) Equity	-	
(b) Preference	-	
(ii) Debentures and bonds	-	
(iii) Units of mutual funds	-	
(iv) Government Securities	-	
(v) Others (please specify)	-	

(₹ In lakhs)

Particulars	Amount outstanding	Amount overdue
(b) 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
(a) Related Parties			
(i) Subsidiaries	-	-	-
(ii) Companies in the same group	-	-	-
(iii) Other related parties	-	-	-
(b) Other than related parties	5,932.90	-	5,932.90
<b>Total</b>	<u>5,932.90</u>	<u>-</u>	<u>5,932.90</u>

**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)
(a) Related Parties		
(i) Subsidiaries	-	-
(ii) Companies in the same group	-	-
(iii) Other related parties	-	-
(b) Other than related parties		
<b>Total</b>	<u>-</u>	<u>-</u>

**8 Other Information :**

Particulars	Amount
(a) Gross Non - Performing Assets	512.46
(i) Related parties	-
(ii) Other than related parties	512.46
(b) Net Non - Performing Assets	362.05
(i) Related parties	-
(ii) Other than related parties	362.05
(c) Assets acquired in satisfaction of debts	-

As per our report attached

**SHARP & TANNAN**

Chartered Accountants

Registration No: 109982W

by the hand of

**VINAYAK M PADWAL**

Partner

Membership No : 049639

Place : Mumbai

Date : 06<sup>th</sup> June, 2017

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

**RAJIV GUPTA**

[DIN 00022964]

**ARUN MITTER**

[DIN 00022941]

**M.K MADAN**

[DIN 01060575]

**Ms. SUMANA VERMA**

[DIN 03451756]

Chairman

} Directors

Place : New Delhi

Date : 06<sup>th</sup> June, 2017



# JAYABHARAT CREDIT LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	2016-17 ₹	2015-16 ₹
<b>[A] CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before taxes	(1,79,73,228)	(3,39,34,658)
<b>Adjustments for:</b>		
Depreciation	1,92,645	1,95,317
Interest expenses	1,23,31,535	1,30,38,658
Loss on sale of Investments	-	-
Interest on investments	-	-
Income from investments	-	-
Profit/loss on sale of assets	-	(31,40,428)
Provision for doubtful trade and other receivables, loans and advances (net)	-	1,50,40,300
	<b>1,25,24,180</b>	<b>2,51,33,847</b>
<b>Operating profit before working capital changes</b>	<b>(54,49,048)</b>	<b>(88,00,811)</b>
<b>Adjustments for:</b>		
(Increase)/Decrease in Trade Receivable	99,05,917	(1,30,98,300)
Increase/(Decrease) in current liabilities	(67,69,582)	90,335
Increase/(Decrease) in provisions	(7,31,504)	49,776
(Increase)/Decrease in loans and advances	-	1,50,40,300
	<b>24,04,831</b>	<b>20,82,111</b>
<b>Cash generated from operations</b>	<b>(30,44,217)</b>	<b>(67,18,700)</b>
Direct taxes refund/(paid)	5,040	5,040
<b>Net cash from operating activities</b>	<b>(30,39,177)</b>	<b>(67,13,660)</b>
<b>[B] CASH FLOW FROM INVESTING ACTIVITIES</b>		
<b>Add: Inflows from investing activities:</b>		
Sale of fixed assets	-	33,75,000
Sale of investments	-	-
Interest on investments	14,217	23,175
	<b>14,217</b>	<b>33,98,175</b>
	-	-
<b>Net cash from investing activities</b>	<b>14,217</b>	<b>33,98,175</b>
<b>[C] CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Add: Inflows from financing activities:</b>		
Receipt of Unsecured loans/icd	2,34,60,000	1,82,57,000
	<b>2,34,60,000</b>	<b>1,82,57,000</b>
<b>Less: Outflows from financing activities:</b>		
Repayment of secured loan	(36,20,218)	(14,65,427)
Repayment of Unsecured loans	(1,57,23,912)	(1,27,40,355)
Interest expenses	(1,93,44,130)	(1,42,05,782)
	<b>41,15,870</b>	<b>40,51,218</b>
<b>Net cash from financing activities</b>	<b>41,15,870</b>	<b>40,51,218</b>
<b>Net (decrease)/increase in cash and cash equivalents - [A+B+C]</b>	<b>10,90,910</b>	<b>7,35,733</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>4,96,166</b>	<b>2,39,567</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>7,67,055</b>	<b>4,96,166</b>

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 balances in current accounts and balances in earmarked accounts

As per our report attached

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

**VINAYAK M PADWAL**  
Partner  
Membership No : 049639

Place : Mumbai  
Date : 06<sup>th</sup> June, 2017

For and on behalf of the Board of Directors

**RAJIV GUPTA** Chairman  
[DIN 00022964]  
**ARUN MITTER**  
[DIN 00022941]  
**M.K MADAN**  
[DIN 01060575]  
**Ms. SUMANA VERMA** Directors  
[DIN 03451756]

Place : New Delhi  
Date : 06<sup>th</sup> June, 2017



## 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 74 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 Six Directors,

#### Board procedure:

The meetings of the Board of Directors are informed well in advance. The notice of the ensuing Meeting is sent at least seven days in advance to all the Directors and Stock Exchange. The Board Meets at least once in every quarter to review the quarterly performance and financial results of the Company.

The Board of Directors met Nine times on the following dates during the year 2016-2017:

2nd May, 2016, 26th May, 2016, 13th August, 2016, 9th September, 2016, 21st September, 2016, 01st October, 2016, 14th November, 2016, 14th February, 2017 and 03rd March, 2017.

#### Attendance record of Directors:

Composition of Board and Attendance Record of Directors for the year 2016-2017

Name of Director	Category	Meetings held	Meetings attended	Attendance in last A.G.M.
Mr. Rajiv Gupta	Non- Executive Director	9	8	No
Mr. Arun Mitter	Non- Executive Director	9	9	Present
Mr. M.K.Madan	Non- Executive Director	9	9	Present
Ms. Sumana Verma	Non- Executive Director	9	3	No
Mr. Gaurav Agarwal	* Independent Director	9	4	No
Mr. Vishnu Singhal	* Independent Director	9	4	No

\*Appointed W.E.F. 01.10.2016

Outside Directorship and Memberships of Board Committees

Name of Director	No. of Directorships held including Private Companies in India	In Unlisted Public Limited Companies	As Chairman / Member of Board Committees	
			Chairman	Member
Mr. Rajiv Gupta	12	2	-	5
Mr. Arun Mitter	18	4	3	5
Mr. M.K.Madan	5	2	-	-
Ms. Sumana Verma	7	1	-	3
Mr. Gaurav Agarwal	9	9	0	0
Mr. Vishnu Singhal	3	3	0	0



### 3. AUDIT COMMITTEE

As per the Regulations 18 of SEBI (Listing obligation and disclosure requirements), 2015 The present audit committee reconstituted on 01.10.2016 with the following three directors.

1. Mr. Rajiv Gupta Director
2. Mr. Gaurav Agarwal Independent Director
3. Mr. Vishnu Singhal Independent Director

#### Meetings, attendance and topic discussed:

1. The Committee reviews periodically the financial accounts, adequacy of internal control, and compliance with accounting standards.
2. Recommending the appointment of Statutory Auditors, internal Auditors and fixing their audit fees.
3. Reviewing with the management, the adequacy of internal System.

During the year, the Audit Committee met five times on 26th May 2016, 13th August, 2016, 14th November, 2016, 14th February, 2017 and 03rd March, 2017. The following Members were present at the meetings

DIRECTORS	26.05.2016	13.08.2016
Mr. Arun Mitter	✓	✓
Mr. M K Madan	✓	✓

As per the SEBI regulations (Listing Obligation and Disclosure Requirements), 2015,

The Audit Committee reconstituted on 01.10.2016 with the following members and meeting held as under:

DIRECTORS	14.11.2016	14.02.2017	03.03.2017
Mr. Rajiv Gupta	✓	✓	✓
Mr. Gaurav Agarwal	✓	✓	✓
Mr. Vishnu Singhal	✓	✓	✓

✓ Means Meeting attended.

### 4. NOMINATION AND REMUNERATION COMMITTEE MEETING

The existing Committee met two times as under and the members were present:

DIRECTORS	26.05.2016	13.08.2016
Mr. Rajiv Gupta	✓	✓
Mr. M K Madan	✓	✓

As per the SEBI regulations (Listing Obligation and Disclosure Requirements), 2015,

The Committee reconstituted on 01.10.2016 with the following members and meeting held as under:

DIRECTORS	01.10.2016	14.11.2016	03.03.2017
Mr. Rajiv Gupta	✓	✓	✓
Mr. Gaurav Agarwal	✓	✓	✓
Mr. Vishnu Singhal	✓	✓	✓

### 5. SHAREHOLDERS' GRIEVANCE COMMITTEE

Composition: The present Shareholders' Grievance Committee consists of four directors; all the Directors are non executive directors. The Committee redresses the grievances of the shareholders like Share Transfer, Splitting / consolidation of Shares, merging of Folios etc.

1. Mr. Rajiv Gupta
  2. Mr. Arun Mitter
  3. Mr. M K Madan
  4. Mrs. Sumana Verma
- i) Mr. Rajiv Gupta - Non Executive Director is Chairman of Shareholders Committee.

The meetings of Shareholders' Grievance Committee were held on 26th May 2016, 13th August, 2016, 14th November, 2016, 13th February, 2017 and 03rd March, 2017 the following Members were present at the meetings.

DIRECTORS	26.05.2016	13.08.2016	14.11.2016	13.02.2017	03.03.2017
Mr. RAJIV GUPTA	✓	✓	✓	✓	✓
Mr. ARUN MITTER	✓	✓	✓	✓	✓
Mr. M K MADAN	✓	✓	✓	✓	✓
Mrs. SUMANA VERMA	-	✓	✓	✓	✓

✓ Means Meeting attended.

Details of Investors complaints received during the year ended 31st March, 2017

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	-
	<b>Total</b>	Nil	Nil	-

The meetings in addition to the members of the audit committee 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.

#### 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 and 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 2016-17

Directors	Sitting fees (Rs.)	Salary and Perquisites (Rs.)			Total (Rs.)
		Salary	Benefits & Bonus	Pension / others	
Mr. RAJIV GUPTA	26,800	----	----	----	26,800
Mr. ARUN MITTER	30,400	----	----	----	30,400
Mr. M K MADAN	30,400	----	----	----	30,400
MRS SUMANA VERMA	18,000	----	-----	-----	18,000

#### 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	PARTICULARS
1	71ST	30.12.2014	11.30 A.M.	Special Resolution passed in 71st Annual General Meeting U/s provisions of Section 180(1) (a) and u/s 180(1)(c) and any other applicable provisions of the Companies Act, 2013.
2.	72ND	09.09.2015	11.30 A.M.	Special Resolution was passed in 72nd Annual General Meeting held on 09th September, 2015
3	73RD	09.09.2016	11.30 A.M.	No Special resolution passed in the 73rd Annual Meeting held on 09th September, 2016

#### 7. DISCLOSURE

The Company has never failed to comply with any authority i.e. Mumbai Stock Exchange, SEBI on any matter related to capital markets during last 3 years, except during the period under review on account of shortage of staff there was some delay in filling the quarterly results with Stock Exchange, the application has been submitted in the office of Stock Exchange to condone the delay.

#### 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 : 12.09.2017  
 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 / August
Annual General Meeting	Mid August - September
Unaudited First Quarter Financial Results	Second week of August
Unaudited Second Quarter Financial Results	Second week of November
Unaudited Third Quarter Financial Results	Second week of February

### 9.3 Date of Book Closure:

The Register of Members and Share Transfer Books of the Company will remain closed from 05.09.2017 to 12.09.2017 (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 2016-17 and Comparison with BSE Sensex:

Months	Share Price of JCL		BSE Sensex	
	High	Low	High	Low
April 2016	5.15	4.90	26100.54	24523.20
March 2017	8.45	8.03	31255.28	29804.12

**9.7 Share Transfer System: M/s Sharex Dynamic (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:

Sharex Dynamic (India) Pvt. Ltd. Unit No 1, Luthara Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai 400 072 Tel: 2851 5644 / 2851 5606 Fax: 2851 2885 email: Sharexindia @vsnl.com., www.sharexindia.com. Shareholders may lodge demat / transfers etc directly to M/s Sharex Dynamic (India) Pvt. Ltd at the above mentioned address.

### 9.8 Share holding across category as on 31st March 2017:

Sr No	Particulars	No of shares held	% age
1	Directors	4,550	0.09
2	Bank and public Financial institutions	2,27,181	4.54
3	Private Corporate bodies	28,92,441	57.85
4	N R I s	20,830	0.42
5	Others	18,54,998	37.10
	<b>Grand Total</b>	<b>50,00,000</b>	<b>100.00</b>

**9.9.1 Distribution of Shareholding as on 31st March 2017**

Number of shares			Number of Shareholders		Number of Shares	
			Number	Percentage	Number	Percentage
Upto	To	100	1983	86.25	281182	5.62
101	To	200	169	7.35	136645	2.73
201	To	500	63	2.74	96178	1.92
501	To	1000	25	1.09	64795	1.30
1001	To	5000	14	0.61	49852	1.00
5001	To	10000	9	0.39	42853	0.86
10001	To	100000	14	0.61	102091	2.04
100001	and	Above	22	0.96	4226404	84.53
			<b>2299</b>	<b>100.00</b>	<b>5000000</b>	<b>100.00</b>

**9.9.2 Shares held in Physical and Electronic mode as on 31st March, 2017**

Category	No of Shares	% age
Physical	2,48,595	4.97
N S D L	35,62,915	71.26
C D S L	11,88,490	23.77
	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 22643022, 23, Fax no 22643023  
Email: jcl@jayabharat.com  
web: www.jayabharat.com

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

<b>RAJIV GUPTA</b> [DIN 00022964]	Chairman
<b>ARUN MITTER</b> [DIN 00022941]	} Directors
<b>M.K MADAN</b> [DIN 01060575]	
<b>Ms. SUMANA VERMA</b> [DIN 03451756]	

Place : New Delhi  
Date : 06<sup>th</sup> June, 2017



## ANNEXURE 'B' TO THE DIRECTOR'S REPORT

### 10. MANAGEMENT DISCUSSION AND ANALYSIS

#### 10.1 Segmental Performance:

The Company operates only in fund based activities. All the business activities are centralized and controlled through Head Office. For the time being the disbursement /investment in the fresh Hire Purchase business is differed in view of main focus on repayment of Fixed Deposits.

#### 10.2 Internal Controls:

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

#### 10.3 Financials:

There was no fresh business exposure during the year.

	( In Lakhs)	
	2016-2017	2015-16
Income	65.15	43.75
Payment to and Provisions for employees	44.61	39.53
Other Expenditure	75.02	211.23
Interest Expenditure	123.31	130.39
Depreciation	1.93	1.95
Profit Before Tax/ Loss	(179.73)	(339.34)
Profit After Tax	(179.73)	(339.34)
Dividend	--	---

#### 10.4 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.

#### 10.5 Human Resources

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

#### 10.6 Personnel:

The Company has a strong, dedicated, experienced and trained personnel to meet with the challenge/s, if any, and business requirements. The staff strength of the Company as on 31st March 2017 is 6

#### 10.7 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 such as 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,2017 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 ever 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, 6th June, 2017

**RAJIV GUPTA**  
CHAIRMAN



## SECRETARIAL AUDIT REPORT

Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017**

To,  
The Members,  
Jayabharat Credit Limited  
Mumbai.  
CIN: L66000MH1943PLC003899

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by Jayabharat Credit Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under; not complied.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (not applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable to the Company during the Audit period);
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit period);
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable during the audit period)
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit period);
  - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993,
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit period) and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ;( Not applicable to the Company during the Audit period).

We have relied on the representation made by the Company, its officers, agents and authorized representatives for systems and mechanism formed by the Company and having regard to the compliance system prevailing in the Company & on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- a. Income Tax Act, 1961 and other Indirect Tax laws;
- b. Shops & Establishments Act;
- c. Negotiable Instruments Act, 1881;



- d. All applicable Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc;
- e. Reserve Bank of India Act, 1934;
- f. Non-Banking Financial Companies (Deposit Accepting or Holding) Prudential Norms (Reserve Bank) Directions, 1998;
- g. Non-Banking Financial Acceptance of Public Deposits (Reserve Bank) Directions, 1998;

We have also examined compliance with the applicable clause of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India – Not followed.
- b. The Listing Agreements entered into by the Company with BSE Limited.

To the best of our knowledge and belief, and also the explanation given by its officials, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above during the period under review

We further report that:

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the year under review were carried out however the Company is in process for filing necessary forms in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that as per Section 203 of the Companies Act, 2013 the Company has not appointed any Key Managerial Personnel. The Company has also not appointed Internal Auditor during the audit period.

We are informed by the officials of the Company, since the Company being a Non Banking Financial Company, the quarterly returns and compliances of RBI are not yet complied\* and Company has made an application for surrender of NBFC certificate on 18th November, 2016 and the approval/confirmation in this respect is awaited from RBI.

We further report that during the year the Company has not filed requisites forms with ROC as required under the Companies Act, 2013,.The Company has also received notices from the Stock exchange with respect to late filing of few quarterly returns. The Company has also not updated its website.

The Company has systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the audit period the Company and its officers, Directors have co-operated with us and have produced before us all the required information, clarifications, returns and other documents as required for the purpose of our audit.

**V. Sundaram**

Date : 6th June, 2017

FCS: 2023

Place : Mumbai

CPO: 3373



## 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, 2017 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, the Company need to comply with certain requirements related to Companies Act 2013, SEBI (LODR) Regulations, 2015, 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.

Date : 6th June, 2017

Place : Mumbai

**V. Sundaram**

FCS: 2023

CPO: 3373

**FIVE YEARS AT A GLANCE**

(₹ in lakhs)

	2012-2013	2013-2014	2014-2015	2015-16	2016-17
AMOUNT FINANCED	-	-	0	0	0
GROSS INCOME	585	294	65	0	65
PROFIT BEFORE DEPRECIATION & TAX	-20	-306.00	-303	-372	-180
DEPRECIATION	7	5.00	5	2	2
INCOME - TAX / EXTRAORDINARY ITEM	-	-	73	31	0
PROFIT AFTER DEPRECIATION & TAX	-20	-306.00	-225	-339	-180
PAID - UP SHARE CAPITAL	500	500	500	500	500
RESERVES & SURPLUS	1,333	1,029	791	451	272
ASSET FINANCE STOCK	5,105	4,677	4677	4545	4545
DIVIDEND	0%	0%	0%	0%	0%
EARNING PER SHARE (RS.)	-0.41	-6.12	-4.5	-6.79	-3.60
BOOK VALUE PER SHARE (RS.)	36.66	30.58	25.82	19.02	15.44

# Proposed





# JAYABHARAT CREDIT LIMITED

(CIN: L66000MH1943PLC003899)

Regd. Office: 19/20, Rajabhadur Mansion, 4th Floor, Opp. SBI Main Branch, Near Stock Exchange, Mumbai Samachar Marg, Fort, Mumbai 400023, Tel: 022-22643022, Fax: 022-22643023 Email: jcl@jayabharat.com. Website: www.Jayabharat.com

[pursuant to Section 105(6) of the Companies Act,2013 ad Rules19(3) of the Companies (management and Administration Rules) 2014

## 74<sup>th</sup> ANNUAL GENERAL MEETING ON 12.09.2017, AT 11.30 A.M.

Name of the Member(s)	
Registered Address	
E-mail ID	
Folio No / Client ID	
DP ID	

I / We being the member(s) of \_\_\_\_\_ Shares of the above named Company, hereby appoint

1. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail ID : \_\_\_\_\_  
 Signature : \_\_\_\_\_

\_\_\_\_\_ or failing him

2. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail ID : \_\_\_\_\_  
 Signature : \_\_\_\_\_

\_\_\_\_\_ or failing him

3. Name : \_\_\_\_\_  
 Address : \_\_\_\_\_  
 E-mail ID : \_\_\_\_\_  
 Signature : \_\_\_\_\_

\_\_\_\_\_ or failing him

As my/ our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 74th Annual General Meeting of the Company, to be held on 12.09.2017 at 11.30 a. m. at M. C. Ghia Hall, 3rd Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business	For	Against
1 To consider and adopt the Audited Balance Sheet as at 31st March, 2017 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 Mr. Rajiv Gupta who retires by rotation, and is eligible for re-appointment,.		
3 To appoint Director in place of Mr. Arun Mitter, who retires by rotation, and is eligible for re-appointment.		
4 To ratify the appointment of Mr. Sandeep R. Tamhane, Chartered Accountants, Mumbai (FCA 046206) as the Statutory Auditors of the Company and to fix their remuneration.		
5 Appointment of Mr. Gaurav Agarwal, (DIN 02276353) as a Non Executive Independent Director.		
6 Appointment of Mr. Vishnu Singhal, (DIN 02421372) as a Non Executive Independent Director.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2017

Affix a  
Revenue  
Stamp

\_\_\_\_\_  
Signature of Shareholder

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the Company.
3. For the Resolutions, and notes please refer to the notice of the 74th Annual General Meeting.





# JAYABHARAT CREDIT LIMITED

(CIN: L66000MH1943PLC003899)

Regd. Office: 19/20, Rajabhadur Mansion, 4th Floor, Opp. SBI Main Branch, Near Stock Exchange, Mumbai Samachar Marg, Fort, Mumbai 400023,  
Tel: 022-22643022, Fax: 022-22643023 Email: jcl@jayabharat.com. Website: www.Jayabharat.com

I hereby record my presence at 74th Annual General Meeting of the Company on 12.09.2017 at 11:30 A.M. at M. C. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001.

**74<sup>th</sup> ANNUAL GENERAL MEETING ON 12.09.2017, AT 11.30 A.M.**

*DP ID		FOLIO NO.	
*CLIENT ID		NO OF SHARES	

Name and Address of the Shareholders
--------------------------------------

\_\_\_\_\_  
Signature of Shareholder / Proxy

\_\_\_\_\_  
\*\*(Name )

Kindly fill the Folio? DP ID-Client ID No and name and sign the attendance Slip and hand it over at the Attendance Verification Counter at the Entrance of Meeting Hall.

\* Applicable for investors holding shares in electronic form.

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

- NOTE:**
- (1) Please read the instructions for e-voting printed under instructions relating to e- voting guidelines.
  - (2) The Voting period starts from 9.00a.m.on 08.09.2017 and ends on 11.09.2017 at 5.00 p.m.

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

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>• In case the Sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with Sequence number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant JAYABHARAT CREDIT LIMITED on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

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

- (A) Please follow all steps from sl. no. (i) To sl. no. (xvii) Above to cast vote.
- (B) The voting period begins on 08.09.2017 at 9.00a.m. and ends on 11.09.2017 at 5.00p.m. during this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date 05.09.2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)