



Anand Credit Limited

18th
Annual Report

2010 - 2011

LETTER TO SHAREHOLDERS

Dear Shareholders,

The year that passed by has been marked with lots of twists and turns and events have unfolded at a far greater pace than anticipated. The recent slowdown, especially in the real estate and construction sector, has had an impact on our earnings growth this year. But, I see no cause for concern. There are a couple of reasons for this-both at the economy and our company level.

Real estate in Gujarat has been underperforming in recent times due to a general liquidity crunch, hike in interest rates, increase in Jantri (State government's guideline rates for registering immovable property deals) and a 'wait and watch' mindset of home buyers. But, I would classify all this as temporary stagnancy rather than a prolonged slowdown. A demand like housing is too great to be kept down for long. Soon, I am sure real estate will start picking up again.

We continue to focus on operational improvement so that we are doing things faster and better. We have a more dynamic management on board to spearhead new company initiatives and explore new business avenues. I believe we have the capacity to thrive in both calm seas and choppy waters. Conditions are only temporary; it is performance that is permanent.

Over the coming year, we intend to launch new projects as and when we perceive a latent demand. Anand Group also keeps raising the bar of corporate governance and the Company's keen desire to embrace these norms in addition to the local norms shows its commitment to good practices with a view to create and sustain stakeholder confidence.

I would like to thank, the Board of Directors, Bankers, Employees and Shareholders for their unstinted support, reposing their confidence in the Company and the confidence reposed on us.

Yours sincerely,

Ramesh L. Shah
Managing Director

<p>Shareholders are requested to bring their copies of Annual Report at the Annual General Meeting as the same will not be distributed in the Meeting Hall.</p>

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GREEN INITIATIVE

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by the Companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their email addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with the Company's Share Transfer Agent, M/s Sharepro Services (India) Private Limited.

CORPORATE INFORMATION

BOARD OF DIRECTORS :

Shri Ramesh L. Shah

Chairman and Managing Director

Shri Vipul R. Shah

Director

Shri Arun Gajare

Director

AUDITORS :

A.L. THAKKAR & CO.

Chartered Accountants

REGISTERED OFFICE :

11, Krishna Appartments,
Bhudarpura Road,
Ambawadi,
Ahmedabad – 380 006

BANKERS :

State Bank of India

Manekbaug Branch,
Ahmedabad.

LISTING :

The Bombay Stock Exchange Ltd

REGISTRAR &

SHARE TRASFER AGENT :

SHAREPRO SERVICES (INDIA) PRIVATE LIMITED

416-420, 4th Floor,
Devanandan Mall,
Opp. Sanyash Ashram,
Ellisbridge,
Ahmedabad-380006.

NOTICE

NOTICE is hereby given that Eighteenth Annual General Meeting of ANAND CREDIT LIMITED will be held on 30th September, 2011 at 11.00 a.m. at the registered office of the Company situated at 11, Krishna Apartments, Bhudarpura Road, Ambawadi, Ahmedabad-380 006 to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit and Loss Account for the year ended on that date together with the Auditors' and Directors' Report thereon.
2. To appoint a Director in place of Shri Arun Gajare, who retires by rotation and being eligible to offer himself for re-appointment.
3. To re-appoint Statutory Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration, in connection therewith, to pass, with or without modifications, the following resolution as an Ordinary Resolution.

“**RESOLVED THAT** pursuant to the provisions of Section 224A and other applicable provisions, if any, of the Companies Act, 1956 M/s A. L. Thakkar & Co., the Chartered Accountants, Ahmedabad, the retiring Auditors of the Company, be and is hereby re-appointed as Statutory Auditor of the Company to hold office from the conclusion of Eighteenth Annual General Meeting till the conclusion of next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS :

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

“**RESOLVED THAT** pursuant to section 257 and other applicable provisions of the Companies Act, 1956, Mr. Gunvant Acharya, in respect of whom the company has received a notice from shareholders in writing proposing candidature of Mr. Gunvant Acharya for the office of the Directors be and is hereby appointed as a Director of the company with immediate effect”.

RESOLVED FURTHER THAT Mr. Ramesh L. Shah, Director of the Company be and is hereby authorised to sign and submit the necessary form(s) with the Registrar of Companies and to take such other steps as may be necessary in this regard.”

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Date : **September 3, 2011**
Place : **Ahmedabad**

(RAMESH L. SHAH)
Chairman and Managing Director

ANNEXURE TO THE NOTICE OF EIGHTEENTH ANNUAL GENERAL MEETING**Explanatory statement as required under section 173(2) of the Companies Act, 1956****Item No. 4 of the Notice :**

The Company received notice from shareholder of the company pursuant to provisions of Section 257 of the Companies Act, 1956 proposing appointment of Mr. Gunvant Acharya as Director of the company. Mr. Gunvant Acharya has also given his to act as Director of the company. In view of the same members are hereby requested to accept his candidature for appointment and pass the resolution at Item No. 4 of the notice appointing him as Director of the company.

Your board of directors recommend to pass the resolution as Ordinary Resolution.

None of the Directors in interested or concerned in the aforesaid resolution.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Date : **September 3, 2011**

Place : **Ahmedabad**

(RAMESH L. SHAH)

Chairman and Managing Director

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Members are requested to notify their change of address, if any, in case of shares held in electronic form to the concerned depository participant quoting their id number and in case of Shares held in physical form to the Share Transfer Agent, Sharepro Services (India) Pvt Ltd. 416-420, 4th Floor, Devanandan Mall, Opp. Sanyash Ashram, Ellisbridge, Ahmedabad-380006.
4. Members/Proxies should bring the Attendance Slip, duly filled in, for attending the meeting.
5. Members who hold Shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their folio no. in the attendance slip for attending Meeting.
6. Members/Proxies attending the Meeting should bring their copy of the Annual Report for reference at the meeting.
7. The Register of Members and share transfer books of the Company will remain closed from 24th September, 2011 and 30th September, 2011 (both days inclusive)
8. Members desiring any information regarding the accounts are requested to write to the Company at least Seven Days before the meeting so as to enable the management to keep the same ready.
9. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays and Sundays between 1.00 p.m. to 3.00 p.m.

INFORMATION AS REQUIRED UNDER CLAUSE 49(IV)(G) OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING :

NAME OF DIRECTOR	MR. ARUN GAJARE	MR. GUNVANT ACHARYA
Date of Birth	04.03.1965	01.06.1954
Date of appointment	03.09.2004	30.09.2011
Expertise in specific functional area	Experience of 10 years in the field of accounts, finance and securities market.	Experience of 15 years in the field of accounts, sales and securities market.
Directorship held in other companies (excluding private & foreign companies)	1. Anand Autoride Ltd 2. Anand Property Finance Ltd 3. Speedwell Properties Limited 4. Anand Healthcare Limited	1. Anand Finstock Services Ltd 2. Speedwell Properties Ltd.
Membership/ Chairmanship of committees in other public company	N.A.	N.A.
Shareholding in the company	5100	NIL

None of the Directors is related to each other.

DIRECTORS REPORT

To,
The Members
Anand Credit Ltd.

Your Directors have pleasure in presenting the Eighteenth Annual Report together with the audited statement of accounts for the period ended on 31st March, 2011.

FINANCIAL RESULTS :*(Rs. in Lacs)*

	Particulars	2010-2011	2009-2010
1.	Total Income	20.94	43.85
2.	Total Expenditure	50.65	25.35
3.	Profit/(Loss) before Depreciation & Taxation	(33.68)	18.49
4.	Depreciation	1.98	1.67
5.	Provision for taxation	0.00	6.00
6.	Profit/(loss) after Tax	(31.70)	10.82
7.	Balance of Profit & Loss Account brought forward from P.Y.	46.25	35.43
8.	Amount available for appropriation	14.55	46.25
9.	Balance carried to Balance sheet	14.55	46.25

DIVIDEND :

Your Directors have not recommended any dividend on equity shares for the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS :

A report on Management and Discussion and Analysis as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange forms parts of the Annual Report.

DIRECTORS :

In accordance with the provisions of the Companies Act, 1956 and Article 150 of the Articles of Association, Shri Arun Gajare, Director of the Company retire by rotation at this annual general meeting and being eligible, offer himself for reappointment. The Board recommends his reappointment. Mr. Tushar Joshi and Mr. Gunvant Acharya were appointed as Additional Directors in the month of January, 2011 and were resigned in the month March, 2011 during the financial year under review.

LISTING :

The Company's Shares are listed on Bombay Stock Exchange Ltd and the Company has paid the necessary Listing fees. The Custodial fees payable to depositories namely NSDL & CDSL has also been remitted by the Company.

INSURANCE :

All the properties and assets of the Company are adequately insured.

DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to the requirement under section 217 (2AA) of the Companies Amendment Act, 2000 with respect to Director Responsibility Statement it is hereby confirmed:

1. That in the preparation of the annual accounts for the financial year ended 31st March, 2011 the applicable accounting standard had been followed along with proper explanation relating to material departures.
2. That the selected accounting policies were applied consistently and judgements and estimates that are reasonable and prudent were made 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 of the Company for that period;
3. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the annual accounts were prepared for the financial year ended 31st March, 2011 on a going concern basis.

AUDITORS :

M/s A. L. Thakkar & Co., Auditors of the Company retires at the conclusion of forthcoming Annual General Meeting and being eligible, to offer themselves for reappointment.

AUDITORS REPORT :

The Auditors report is self-explanatory and so far, there is no negative remark by the Auditors.

DELISTING OF EQUITY SHARES:

Pursuant to the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, Anand Credit Ltd has completed the process of voluntary delisting of equity shares with the Ahmedabad Stock Exchange Ltd. The equity shares of Anand Credit Ltd have been voluntarily delisted from Ahmedabad Stock Exchange Ltd with effect from 18 January, 2011 as intimated vide their letter No ASEL/2010-11/1331

CORPORATE GOVERNANCE :

Your Company is committed to maintain the highest standard of Corporate Governance. Your Directors adhere to the stipulations set out in the Listing Agreement with the Stock Exchanges. As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Corporate Governance together with a certificate from the Company's Auditors confirming compliance there to is set out in the Annexure forming part of this report.

PARTICULARS OF THE EMPLOYEES :

The Company has no employee to whom the provision of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 apply and henceforth not applicable to the company.

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

Conservation of energy and technology absorption information pursuant to Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable. There is no Foreign Exchange Earning and Outgo during the year.

ACKNOWLEDGMENT :

Your Directors express their sincere thanks to all customers, vendors, investors, bankers, insurance companies, consultants, and advisors for their continued support throughout the year.

Your Directors sincerely acknowledges the contribution made by all the employees for their dedicated services to the company.

For and on behalf of the Board

Date : **September 3, 2011**
Place : **Ahmedabad**

Ramesh L. Shah
Chairman and Managing Director

ANNEXTURE TO DIRECTOR'S REPORT MANAGEMENT DISCUSSION AND ANALYSIS REPORT

India is the second fastest growing economy in the world. The Indian real estate sector is one of the fastest growing economies with free democracy, largest population, huge domestic demand, rapidly growing emerging market and a conduit for a substantial part of its development. Most favored destination for international investors and vibrant capital market are some of the characteristics which describes the Indian economy.

In recent years many progressive reforms are taken place. The real estate sector in India is moving towards organized sectors with regulatory transparency. India's estimated population as per the economic survey 2010-11 was 1.18 billion which is expected to be 1.40 billion by 2025 as per the projections of The Registrar General and Census Commissioner of India. Further during the last few years increase in urban population has been substantial due to migration of people from villages to cities. Increased employment coupled with increased income led to increase in purchasing power and the pattern of leaving has undergone sea change during last decade. All these factors have cumulatively increased the demand.

The real estate market in India witnessed a stupendous growth over the past few years, with average residential capital values more than doubling between 2005 and the first half of 2009. During 2010-11, the Indian real estate and housing sectors received US\$ 1.12 billion in Foreign Direct Investment (FDI), according to the Department of Industrial Policy and Promotion India (DIPP).

In the Union Budget 2011-12, the Government has also presented various initiatives for real estate sector. These factors coupled with a favourable political environment are likely to boost the economy as well as the real estate sector in the coming years.

(A) Review of Annual Operations:

During the year 2010-11 the total income of the Company was Rs. 2,093,527 as compared to total income Rs. 4,384,772 during the year 2009-10.

Capital Structure:

During the year under review, there is no change in the Capital Structure of the Company.

Reserve and Surplus:

In 2010-11, the reserve stands at Rs. 2,505,346 against Rs. 5,675,293 in 2009-10.

(B) Opportunities and Threats :

Opportunities :

Keeping in view of the growth construction industry, the Company is striving hard to make its mark in the Industry. The Management is confident of achieving good business in the current year by enhancing the strengths in the areas of core- competency.

Threats :

Core to its continued success is the Company's ability to identify and effectively manage its business risks. Many social, political, economic, legal and other factors affect the development of the real estate industry. The Company's performance and growth are dependent on the health of the Indian economy. The economy could be affected by various factors such as political turmoil, social disturbances, natural calamities etc. Any further slowdown in the Indian economy may impact the business and its financial performance.

Remedy :

Accordingly, the Company has well defined, rigorous policies and processes designed to identify, mitigate and control risks. The regulatory framework particularly in the real estate space is evolving. The recent years have seen the sector exhibiting a trend towards greater organization and transparency through various regulatory reforms, giving an overall positive boost to the industry. The Management continues to remain optimistic about the future regulatory and policy framework.

(C) Internal Control Systems :

Considering the size of the company, your company has adequate system of Internal Control to provide reasonable assurance that assets are safeguarded and protected from unauthorized use or disposition.

(D) Outlook :

Given the various stimulation measures and economic revival, India's real estate and construction sector is beginning to improve. An economic revival and strong demand for budget housing are driving the upturn in the residential segment. Transaction volumes in housing have picked up as developers launched projects at prices which are lower than market value. The response to recent mid-income housing launches, too, has been positive. There is also a strong revival of interest among corporate for commercial space. Moreover, as developers have delayed projects, the vacancy levels have reduced, thus reducing the demand-supply gap.

The Management believes that the Company's prominent and highly respected presence in the real estate space in Ahmedabad will enable it to develop strategies to respond effectively to the challenges and opportunities ahead. The performance of the Company is expected to remain encouraging and the company looks for the better future.

(E) Environmental Issues :

As the company is not in the field of manufacture, the matter relating to produce any harmful gases and the liquid effluents are not applicable.

(F) Cautionary Statement :

This report contains some forward looking statements based on the data available with the Company and on certain assumptions having regards to the economic conditions, government policies, political developments within and outside the country. The Company does not guarantee the accuracy of the assumptions and the projected performance of the Company in future. Actual results may differ from those expressed or implied herein.

For and on behalf of the Board

Date : **September 3, 2011**
Place : **Ahmedabad**

Ramesh L. Shah
Chairman and Managing Director

CORPORATE GOVERNANCE REPORT

The Securities and Exchange Board of India (SEBI) ushered in a formal code of corporate governance (the Code) through Clause 49 in the listing agreement executed by the Company with stock exchanges. Clause 49 lays down several corporate governance practices which listed companies are required to adopt.

The Code has been periodically upgraded to ensure the adoption of best corporate governance practices by the corporate. While most of the practices laid down in Clause 49 require mandatory compliance, others are recommendatory in nature. This reports sets out the compliances status of the Company with the requirements of corporate governance, as set out in Clause 49, for the financial year 2010-11.

1. Company's Philosophy on Code of Governance

The Company believes that the Code prescribes only a minimum framework for governance of a business in corporate framework. The Company's philosophy is to develop this desired minimum framework and institutionalize the spirit it entails. This will lay the foundation for further development of superior governance practices, which are vital for growing a successful business. The Company recognizes that transparency, disclosure, financial controls and accountability are the pillars of any good system of corporate governance.

2. Board of Directors

a. Composition

As of the year ended 31st March 2011, the Board of Directors had 3 members among them one Director is Executive Director and two Directors being Non-Executive Directors. Amongst three, two are Independent Directors.

b. Attendance of each Director at the Board meetings and last Annual General Meeting :

Name of the Director	Category	Attendance Particulars	
		Board meetings	Last AGM
Shri Ramesh L. Shah	C /MD	8	Y
Shri Arun N. Gajare	NED	9	Y
Shri Vipul R. Shah	NED	9	Y
*Shri Gunvant Acharya	ED	1	N
*Shri Tushar Joshi	NED	1	N

* Shri Gunvant Acharya was appointed as executive, independent & additional director and Shri Tushar Joshi was appointed as non executive, independent & additional director by the Board of Directors of the company w.e.f. 19.01.2011. Both these directors have resigned from the directorship w.e.f. 21.03.2011.

C : Chairman

NED: Non Executive Director

MD : Managing Director

C. Number of other Companies or Committees the Director is a Director/ Member/ Chairman of :

Name of the Director	Number of other Companies in which Director	Number of Committee in which Member
Shri Ramesh L. Shah	5	2
Shri Arun N. Gajare	4	2
Shri Vipul R. Shah	NIL	2

D. Number of Board meetings held and the dates on which held :

During the year the Company has held Nine Board Meetings as against the minimum requirement of 4 meetings.

The dates on which meetings were held are 30th April 2010, 22nd May 2010, 19th June 2010, 13th August 2010, 22nd August 2010, 11th November 2010, 19th January 2011, 11th February 2011 and 21st March 2011.

3. Audit Committee :
a. Composition :

At present the Audit Committee, comprises of one Executive Director and two Non- Executive Directors , viz. Shri Ramesh L. Shah, Shri Arun N Gajare and Shri Vipul R. Shah. The Constitution of Audit Committee meets with the requirements under Section 292A of the Companies Act, 1956.

b. Terms of reference :

The terms of reference stipulated by the Board to the Audit Committee are as contained under Clause 49 of the listing Agreement, as follows:

- 1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) Recommending the appointment and removal of external auditor, fixation of audit fee.
- 3) To investigate any activity within its terms of reference.
- 4) To obtain outside legal or other professional advice.
- 5) To secure attendance of outsiders with relevant expertise, if it considers necessary
- 6) To seek information from any employee.
- 7) Reviewing with management the annual financial statements before submissions to the Board, focusing primarily on :
 - a. Any changes in accounting policies and practices
 - b. Major accounting entries based on exercise of judgment by management.
 - c. Qualification in draft audit report
 - d. Compliance with stock exchange and legal requirements concerning financial statements.

During the year, the Committee has met Five times. The meetings were held on 30th April 2010, 13th August 2010, 22nd August 2010, 11th November 2010 and 10th February 2011.

Name of Directors	Designation	Meetings Held	Meetings Attended
Shri Vipul R Shah	Chairman	5	5
Shri Arun N. Gajare	Member	5	5
Shri Ramesh L Shah	Member	5	5

4. Transfer and Shareholders / Investors Grievance Committee :

The Company has constituted the Transfer and Shareholders /Investors grievance committee comprising of Shri Ramesh L. Shah, Shri Arun L Gajare and Shri Vipul R. Shah. The committee deals with matters relating to:

- (1) Transfer of Shares,
- (2) Issue of Duplicate/new sub-divided and consolidated Share Certificates.
- (3) Shareholders/Investors Grievance and its redressal.

During the year, the Committee has met twenty one times. The meetings were held on 15th April, 2010, 30th April, 2010, 15th May, 2010, 31st May, 2010, 12th June, 2010, 15th June, 2010, 30th June, 2010, 15th July, 2010, 24th July, 2010, 30th July, 2010, 14th August, 2010, 31st August, 2010, 15th September, 2010, 15th October, 2010, 30th October, 2010, 15th November, 2010, 30th November, 2010, 15th December, 2010, 31st December, 2010, 15th January, 2011 and 25th February, 2011.

- (a) Name of the Non-Executive Director heading the Committee : Shri Arun L Gajare
- (b) Number of Shareholders Complaints received during the Financial Year : 2 complaints were received from Stock exchange / Investor Associations / Securities Exchange Board of India(SEBI)/Department of Company Affairs.

- (c) Number of complaint : All the Complaints of Shareholders were resolved to the satisfaction of investor

5. Managerial Remuneration :
Remuneration Committee

This is a non-mandatory requirement of Clause 49 of the Listing Agreement. The Board has not formed a remuneration committee and all decisions on appointment and remuneration of directors are taken by the Board of Directors and approved by the shareholders in general meeting.

Managing Director

The Remuneration of Managing Director was fixed by the Board and approved by the shareholders at General Meeting held on 17th June 2010. Company has not paid any sitting fees to the Non-executive Directors. The Company does not have any scheme for grant of stock option to its Directors or Employees nor does it pay any commission to any of its Directors.

6. Details of Shares held by Non-Executive Directors :

Name of the Non Executive Director	Shares held
Shri Arun N. Gajare	5100
Shri Vipul R. Shah	9100

7. General Body Meetings :

The last three Annual General Meetings of the Company were held as under:

Year	Location	Date	Time
2009-2010	2, Krishna Apartment, Bhudarpura Road, Ambawadi, Ahmedabad	30/09/2010	11:00 a.m.
2008-2009	2, Krishna Apartment, Bhudarpura Road, Ambawadi, Ahmedabad	30/09/2009	11:00 a.m.
2007-2008	2, Krishna Apartment, Bhudarpura Road, Ambawadi, Ahmedabad	30/09/2008	11:00 a.m.

During the year ended 31st March, 2010. There have been no resolutions passed by the Company's shareholders by postal ballot.

One Extra Ordinary General Meeting of the members of the company was held on 17th June, 2010 at 11.00 a.m. At the registered office of the company where company has got passed the Special Resolution for appointment of Mr Ramesh L. Shah as Managing Director of the company for a period of five years w.e.f. 22.05.2010.

During the year ended 31st March, 2011. There have been no resolutions passed by the Company's shareholders by postal ballot. Company has got passed the resolutions through Postal Ballot after balance sheet date i.e. post March 31, 2011 pursuant to section 192A of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2009. Company has conducted a postal ballot process vide notice dated 21st May, 2011, for obtaining approval of shareholders on certain matters as mentioned in the notice, the result of which were declared on 29th June, 2011. The details of resolution passed and voting pattern are noted below.

ITEM NO. 1 :
Special Resolution under Section 372A :

Particulars	No. of Postal Ballot Papers	No. of Votes	Percentage
Assent	33	394342	99.59%
Dissent	3	1625	0.41%
Total	36	395967	100%

The Special Resolution as set out in Item No. 1 of the Notice dated 21st May, 2011 is passed with requisite majority.

ITEM NO. 2 :**Special Resolution under Section 17 :**

Particulars	No. of Postal Ballot Papers	No. of Votes	Percentage
Assent	35	395942	99.99%
Dissent	1	25	0.01%
Total	36	395967	100%

The Special Resolution as set out in Item No. 2 of the Notice dated 21st May, 2011 is passed with requisite majority.

ITEM NO. 3 :**Ordinary Resolution under Section 293(1)(d) :**

Particulars	No. of Postal Ballot Papers	No. of Votes	Percentage
Assent	34	394542	99.64%
Dissent	2	1425	0.36%
Total	36	395967	100%

The Ordinary Resolution as set out in Item No. 3 of the Notice dated 21st May, 2011 is passed with requisite majority.

Details of person who conducted postal ballot exercise.

The postal ballot process initiated by the Company during post March, 2011 was conducted by Mr. Nimesh Shah, Practicing Company Secretary at Ahmedabad. The postal ballot process was conducted in accordance with the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2009.

8. Disclosure :**Disclosures on materially significant related party transactions that have potential conflict with the interest of the Company at large**

There are no materially significant related party transactions of the Company with key managerial personnel during the financial year 2010-11 which have potential conflict with the interest of the Company at large.

Disclosure of Accounting Standards

The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable, in the preparation of the financial statement.

Disclosure of Risk Management

The company has laid down procedures to inform Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risks through means of a properly defined framework.

Details of non-compliance by the company, penalties, strictures imposed on the company by stock exchange(s) or Securities and Exchange of Board of India (SEBI) or any other statutory authority or any matters related to Capital Markets.

There are no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the period from 1st April 2010 to 31st March 2011.

Details of Compliance with mandatory requirement

Clause 49 of the Listing Agreement mandates to obtain a certificate from either the Auditors or Practicing Company Secretaries regarding compliance of conditions of Corporate Governance as stipulated in the clause and annex the certificate with the Director's Report, which is sent annually to all the Shareholders. The Company has obtained a certificate from its Auditors to this effect and the same is given as annexure to this report.

Unclaimed Dividends

The Company will be required to transfer dividends which have remained unpaid/unclaimed for the period of 7 years to the Investor Education & Protection Fund established by the Government. However there is no such unclaimed/unpaid dividend for which Company has to transfer the same to the Investor Education & Protection Fund in this financial year.

Code of Conduct for Senior Management

The Company has adopted a Code of Conduct for Directors and Senior Management. It is the responsibility of all employees and Directors to familiarise themselves with the Code and comply with the same. The Code includes provisions where the employees of the Company can voice their concerns on violation and potential violation of this Code in a responsible and effective manner. All Board members and senior management personnel have confirmed compliance with the code. A declaration signed by the Managing Director is attached and forms part of the Annual Report of the company.

CEO Certification

Chief Executive Office (CEO) certification on financial statements pursuant to the provisions of Clause 49 of the listing agreement is annexed and forms part of the Annual Report of the company.

9. GENERAL SHAREHOLDERS INFORMATION :

Financial year	: 1 st April, 2010 to 31 st March, 2011
Date & Time of Annual General Meeting	: 30 th September, 2011 at 11.00 a.m.
Venue	: 11, Krishna Apartment, Bhudarpura Road, Ambawadi, Ahmedabad-06.
Book closure date	: 24 th September 2011 to 30 th September 2011 (both days inclusive) for Annual General Meeting
Dividend payment date	: No Dividend proposed to be declared at the ensuing Annual General Meeting
Registered office	: 11, Krishna Apartment, Bhudarpura Road, Ambawadi, Ahmedabad-380 006.

Financial Calendar

The Company has announced/expects to announce the unaudited quarterly results for the year 2011-12 as per the following schedule :

First quarter	: on or before 15 th August, 2011
Second quarter	: on or before 15 th November, 2011
Third quarter	: on or before 15 th February, 2012
Fourth quarter	: on or before 15 th May, 2012

Means of communication :

The quarterly/half yearly results of the Company are published in leading financial newspapers.

Date of Book Closure :

24th September, 2011 to 30th September, 2011 (both days inclusive).

Outstanding ADRs /GDRs / Warrants / any other convertible instruments :

The Company has not issued any such instruments.

Listing on Stock Exchange :

The shares of the Company are listed on Bombay Stock Exchange and Ahmedabad Stock Exchange. Trading in the equity shares of the company is started at both the exchanges.

Stock Code :

531678 (The Stock Exchange, Mumbai)

Dematerialization Information :

The shares of your Company are available in Dematerialised form with National Securities Depository Limited (NSDL) & Central Depository Services (I) Limited (CDSL). The ISIN of the Company is INE703J01012.

Stock Market Price Data :

 Market price data pertains to 1st April, 2010 to 31st March 2011 as given below.

(Rs.)

Month & Year	Bombay Stock Exchange Ltd.	
	High	Low
April 2010	82.35	56.10
May 2010	67.40	48.10
June 2010	65.30	45.90
July 2010	75.60	60.95
August 2010	69.00	50.90
September 2010	56.50	19.15
October 2010	21.00	9.55
November 2010	16.93	8.76
December 2010	13.10	8.55
January 2011	9.80	7.34
February 2011	10.29	5.65
March 2011	10.80	5.42

Note : The above figures are of monthly high and low of closing quotation of Equity Shares of the Company.

Distribution of Shareholding as on March 31, 2011

No. of Equity shares held	No of share holders	% of shareholders	No of shares held	% of holding
1-500	1577	57.366	420234	7.002
501-1000	470	17.097	411675	6.859
1001-2000	285	10.367	463122	7.717
2001-3000	126	4.583	333504	5.557
3001-4000	55	2.001	198336	3.305
4001-5000	60	2.183	288895	4.814
5001-10000	90	3.274	658201	10.967
10001 & above	86	3.128	3227633	53.780
Total	2749	100.00	60,01,600	100.00

Categories of Shareholders as on March 31, 2011

Category	No. of Shares	% of Shares
Promoter's Holding		
A. Indian Promoters	3,21,354	5.354
B. Body Corporates	—	—
Sub total	3,21,354	5.354
Non-Promoter's Holding		
A. Corporate Bodies	22,27,480	37.114
B. Public	34,52,766	57.532
Sub total	56,80,246	94.646
GRAND TOTAL	60,01,600	100.00

Registrars and Transfer Agents

Shareholders' correspondence should be addressed to the Company's Registrars and Share Transfer Agents at :

SHAREPRO SERVICES (INDIA) PRIVATE LIMITED

416-420, 4th.Floor, Devnandan Mall, Opp.Sanyash Ashram, Ellisbridge, AHMEDABD-380006

Tel Nos.:079-26582381 to 84, Fax No : 079 26582385, Email : sharepro@shareproservices.com

For and on behalf of the Board

 Date : **September 3, 2011**

 Place : **Ahmedabad**

Ramesh L. Shah
Chairman and Managing Director

CODE OF CONDUCT

To,
The Shareholders

DECLARATION

The Board has laid down a code of conduct for all Board Members and Senior Management personnel of the company. The Board members and Senior Management have affirmed compliance with the Code of Conduct.

For and on behalf of the Board

Place : **Ahmedabad**
Date : **03.09.2011**

Ramesh L. Shah
Chairman and Managing Director

CEO/CFO CERTIFICATION

I, Mr. Ramesh L. Shah, Managing Director, certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended on 31.03.2011 and that to the best of their knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
 - (i) significant changes in internal control during the year;
 - (ii) significant changes in 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 they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

For and on behalf of the Board

Place : **Ahmedabad**
Date : **03.09.2011**

Ramesh L. Shah
Chairman and Managing Director

AUDITORS' REPORT

To,
The Members of,
ANAND CREDIT LIMITED.

1. We have audited the attached Balance Sheet of ANAND CREDIT LIMITED, Ahmedabad as at 31st March, 2011 and the Profit & Loss Account and the Cash flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956. We enclosed in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of accounts as required by law, have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet and Profit & Loss Account and cash flow Statement dealt with by this report are in agreement with books of account;
 - (iv) In our opinion, the Balance Sheet and the Profit & Loss Account and Cash flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the Directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of Clause (g) of sub Section (1) of Section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. in so far as it relates to Balance Sheet, of the state of affairs of the company as at 31st March, 2011; and
 - b. in so far as it relates to the Profit and Loss Account, of the Loss of the Company for the year ended on that date.
 - c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Place : Ahmedabad
Date : 03.09.2011

FOR, A.L. THAKKAR & CO.
Chartered Accountants
Sd/-
(SANJIV V. SHAH)
Partner
Membership No.: 42264
Firm No. 120116W

ANNEXURE TO AUDITORS' REPORT
[Referred to paragraph 3 of our report of even date]

1. In respect of its fixed assets :

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) As explained to us, the fixed assets have not been physically verified by the management during the year, but there is a regular programme of verification, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) In Our Opinion the company has not disposed off substantial part of fixed assets during the year and the going concern status of the company is not affected.

2. In respect of its inventories :

- (a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records, if any noticed on physical verification of inventory as compared to the book records were properly adjusted.

3. i) In respect of loans, secured or unsecured, granted or taken by the company to/from companies. Firms or other parties covered in the register maintained under section 301 of the companies Act, 1956.

- (a) The Company has neither taken nor granted any loans or advances in the nature of loans to parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, the question of reporting whether the terms and conditions of such loan are prejudicial to the interest of the company, whether reasonable steps for recovery/repayment of overdue of such loans are taken does not arise.

4. In respect of internal control :

In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of inventory, fixed assets and also with to the sale of goods & services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

5. In respect of transactions covered under section 301 of the Companies Act, 1956.

- (a) In our opinion, and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, have been entered in the Register required to be maintained under that section;
- (b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of a party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

6. In respect of deposits from public :

The Company has not accepted deposits from the public within the meaning of section 58A and 58AA of the Companies Act, 1956 and the Rules framed there under. We are informed that no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

7. In respect of internal audit system :

In our opinion, the company has an internal audit system commensurate with the size of the company and the nature of its business.

8. In respect of maintenance of cost records :

According to information and explanation given to us, neither order has been passed by Central Government nor have cost records been prescribed under section 209 (1) (d) of the Companies Act, 1956 in respect of products manufactured by the Company.

9. In respect of statutory dues :

(a) According to the records of the Company, the company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Income Tax, Investor Education and Protection Fund, Employees' State Insurance dues, Sales Tax, Service Tax, Custom duty, Excise duty, Professional tax, Cess and other statutory dues as may be applicable to the Company have generally been regularly deposited with the appropriate authorities.

(b) According to the information and explanations given to us, undisputed Income tax liabilities of Rs. 1,53,190 was outstanding as at 31st March, 2011 for a period of more than Six months from the date they become payable.

The disputed statutory dues aggregating to Rs. 35.34 lacs., that have not been deposited on account of matters pending before appropriate authorities are as under.

Name of statute	Nature of the dues	From where dispute is pending?	Amount
Income Tax Act	Income Tax	I.T.A.T.	29,68,762
Income Tax Act	Income Tax	C.I.T. (A)	5,65,215

(c) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth tax, Service tax, Excise duty, Customs duty and Cess which have not been deposited on account of any dispute.

10. In respect of accumulated losses and cash losses :

The accumulated losses of the company have exceeded fifty percent of its net worth as at 31st March, 2010. The Company has incurred cash losses of Rs. 26.63 lacs during the financial year covered by our audit and there was not any cash loss in the immediately preceding financial year.

11. In respect of dues to financial institution / banks / debentures :

In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of no dues to banks / financial institutions, or debenture holders.

12. In respect of loans and advances granted on the basis of security.

In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

13. In respect of provisions applicable to Chit fund :

In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.

14. In respect of dealing or trading in shares, securities, debentures and other investment :

According to the information and explanations given to us, the company is not dealing in or trading in shares, securities, debentures and other investments. Hence clause 4(xiv) of the companies (Auditor's Report) Order 2003 is not applicable to the company.

15. In respect of guarantee given for loans taken by others :

According to the information and explanations given to us, the company is not given any guarantee for loans taken by others from bank or financial institutions.

16. In respect of application of term loans :

The company has not raised any new term loan during the year. The term loans outstanding at the beginning of the year were applied for the purpose for which they were raised.

17. In respect of fund used :

According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we are of the opinion that no funds raised on short term basis have been used for long term investment.

18. In respect of preferential allotment of shares :

According to the information and explanations given to us, the company has not made preferential allotment of shares, during the year, to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

19. In respect of securities created for debentures :

The Company has not issued any debentures during the year. Therefore, the provision of clause 4 (xix) of the Order is not applicable to the Company.

20. In respect of end use of money raised by public issues :

The Company has not raised any money by way of public issue during the year.

21. In respect of fraud :

According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

Place : Ahmedabad
Date : 03.09.2011

FOR, **A.L. THAKKAR & CO.**
Chartered Accountants
Sd/-
(SANJIV V. SHAH)
Partner
Membership No.: 42264
Firm No. 120116W

BALANCE SHEET AS AT 31st MARCH 2011

PARTICULARS	SCH	As At 31st March 2011	As At 31st March 2010
SOURCES OF FUNDS :			
Share Holder's Funds			
A. Share Capital	01	60,016,000	60,016,000
B. Reserve & Surplus	02	2,505,346	5,675,293
		<u>62,521,346</u>	<u>65,691,293</u>
Loan Funds			
a) Secured Loan		-	-
b) Unsecured Loan	03	8,025,898	7,881,454
		<u>8,025,898</u>	<u>7,881,454</u>
TOTAL FUNDS EMPLOYED		<u>70,547,244</u>	<u>73,572,747</u>
APPLICATION OF FUNDS :			
Fixed Assets			
	04		
a) Gross Block		3,955,181	3,955,181
b) Less : Depreciation		2,339,571	2,141,256
c) Net Block		1,615,610	1,813,925
Investment			
	05	1,196,860	3,407,535
Current Assets, Loan & Advance			
a) Cash and Bank Balance	06	307,968	175,405
b) Stock on Hire		1,270,329	1,270,329
b) Sundry Debtors		--	4,000,000
c) Loans & Advances	07	69,567,586	64,862,463
		<u>71,145,883</u>	<u>70,308,198</u>
Less : Curr. Liabilities & Prov.			
a) Current Liabilities	08	2,214,706	170,627
b) Provisions	09	1,736,404	2,326,284
		<u>3,951,110</u>	<u>2,496,911</u>
NET CURRENT ASSETS		<u>67,194,774</u>	<u>67,811,287</u>
4. Miscullenous Expenditure :			
a) (To the exten not written off or adjusted)		540,000	540,000
		<u>70,547,244</u>	<u>73,572,747</u>

NOTES ON ACCOUNTS

As per our report of even date attatched herewith.

For **A. L. Thakkar & Co.**

For and on behalf of Board of Directors

SANJIV SHAH
(Partner)

Place : **Ahmedabad**
Date : **September 3, 2011**

(Ramesh L. Shah)
(Mangeing Director)

(Arunbhai N. Gajare)
(Director)

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH - 2011

PARTICULARS	SCH	As At 31st March 2011	As At 31st March 2010
INCOME			
Interest & Financial Charges	10	2,093,527	4,384,772
		<u>2,093,527</u>	<u>4,384,772</u>
EXPENDITURE			
Payment to & Provision for EMP.	11	1,542,428	1,181,994
Administrative & Other Exp.	12	3,521,200	1,349,978
Financial Exp.	13	1,531	3,451
Depreciation	198,315	167,488	
		<u>5,263,474</u>	<u>2,702,911</u>
Profit Before Tax		(3,169,947)	1,681,861
Provision for Taxation		-	600,000
Income Tax for earlier years		-	-
Profit After Tax		(3,169,947)	1,681,861
Balance brought forward		4,625,293	3,543,432
Profit available for appropriation		1,455,346	4,625,293
General Reserve		-	-
Balance C/F to Balance Sheet		<u>1,455,346</u>	<u>4,625,293</u>
EPS & Diluted EPS		(0.52)	0.18

As per our report of even date attached herewith.

For **A. L. Thakkar & Co.**

For and on behalf of Board of Directors

SANJIV SHAH
(Partner)

Place : **Ahmedabad**
Date : **September 3, 2011**

(Ramesh L. Shah)
(Managing Director)

(Arun N. Gajare)
(Director)

SCHEDULE OF BALANCE SHEET FOR THE YEAR 2010-2011

PARTICULARS	As At 31st March 2011	As At 31st March 2010
SCHEDULE : 1 - SHARE CAPITAL :		
Authorised :		
65,00,000 Equity Shares of Rs. 10 Each	65,000,000	65,000,000
Issued Subscribed & Paid Up Capital		
60,01,600 Equity Shares of Rs.10.00 Each Fully Paid up	60,016,000	60,016,000
TOTAL	<u>60,016,000</u>	<u>60,016,000</u>

SCHEDULE : 2 - SHARE HOLDER'S FUNDS :
C. Reserve & Surplus

Profit & Loss A/C	1,455,346	4,625,293
General Reserve	1,050,000	1,050,000
TOTAL	<u>2,505,346</u>	<u>5,675,293</u>

SCHEDULE : 3 - LOAN FUNDS :
B. Unsecured Loan

Intercompany Deposit	8,025,898	7,881,454
Others	-	-
TOTAL	<u>8,025,898</u>	<u>7,881,454</u>

SCHEDULE : 04 - CALCULATION OF FIXED ASSETS & DEPRECIATION FOR THE YEAR 2010-11 :

Name of Assets	Gross Block				Depreciation				Net Block	
	As on 1/4/2010	Addition In the Year	Deduction In the Year	As on 31/3/2011	As on 1/4/2010	Adjust - ment	Dep for the Year	As on 31/3/2011	As on 31/3/2011	As on 31/3/2010
Office Premises	497667	0	0	497667	95871	0	6808	102679	401796	394988
Computer	619153	0	0	619153	499209	0	25914	525123	119944	94030
Air Conditioner	497935	0	0	497935	230126	0	23652	253778	267809	244157
Furniture & Fixtures	1962311	0	0	1962311	1076377	0	124141	1200518	885934	761793
Office Equipments	329651	0	0	329651	230651	0	14494	245145	99000	84506
Vehicle	48464	0	0	48464	9022	0	3306	12328	39442	36136
GRAND TOTAL	3955181	0	0	3955181	2141256	0	198315	2339571	1813925	1615610

SCHEDULE OF BALANCE SHEET FOR THE YEAR 2010-2011

PARTICULARS	As At 31st March 2011	As At 31st March 2010
SCHEDULE : 5 - INVESTMENT :		
Un Quoted at Cost		
- 10 Equity Shares (PY10) in Nirmal Gases P. Ltd. of Rs. 10.- each fully paid up	100	100
- Shares of Girish Hotel	566,760	566,760
- 40 Equity Shares (PY10) in the Relief Merc Cop. Bank Rs. 25/- each fully paid up	1,000	1,000
- Land & Flat	629,000	2,839,675
TOTAL	1,196,860	3,407,535
SCHEDULE : 6 - CURRENT ASSETS, LOANS & ADVANCES :		
Cash & Bank Balance		
- Cash on hand	290,030	157,355
- Balance in Current Account wht Schedule Bank	-	-
- Balance in Current Account with Co.Op. Bank	17,938	18,050
TOTAL	307,968	175,405
SCHEDULE : 7 - LOANS & ADVANCES :		
Sundry Loans	66,140,443	61,434,320
Advances Recoverable in Cash or Kind	17,565	18,565
Deposits	34,000	34,000
Adc. I.Tax and Tax deducted at sources	3,375,578	3,375,578
TOTAL	69,567,586	64,862,463
SCHEDULE : 8 :		
Less : Current Liabilities		
Depoistor from H.P. Debtors	-	-
Sundry Creditors Exps.	171,799	128,264
Other Current Liabilities	2,042,907	42,363
TOTAL	2,214,706	170,627
SCHEDULE : 9 - PROVISIONS :		
Provision for Taxation	638,090	1,227,970
Provision for Interset Tax	208,100	208,100
Provision for Bad Debts	890,214	890,214
TOTAL	1,736,404	2,326,284

SCHEDULE OF BALANCE SHEET FOR THE YEAR 2010-2011

PARTICULARS	As At 31st March 2011	As At 31st March 2010
SCHEDULE : 10 - INTEREST & FINANCIAL INCOME :		
Housing Loan Interest	178,502	151,272
Rent Income	197,200	233,500
Profit on Sale of Land & Flats	1,717,825	4,000,000
Other Interest	-	-
TOTAL	2,093,527	4,384,772
SCHEDULE : 11 - PAYMENT TO & PROVISION FOR EMP. :		
Salaries	1,456,450	1,122,700
Provident Fund	85,978	59,294
TOTAL	1,542,428	1,181,994
SCHEDULE : 12 - ADMINISTRATION EXPENSES :		
Printing & Stationery	46,945	14,347
Office Expenses	110,360	134,222
Telephone Expenses	79,247	53,703
Electric Expenses	4,455	6,142
Audit Fees	8,273	8,273
Legal Expenses	143,155	209,318
Demate Charges	25,768	77,819
Professional Tax	2,000	2,000
Repair & Maintenance Exp.	163,372	188,815
Donation	-	35,000
Advertisement Exps.	51,162	115,201
Municipal Tax	12,235	14,506
Professional Fee	2,800	15,289
Misc Exps.	49,247	-
Loss on Sales of Land	2,373,800	14,148
Listing Fees	38,605	38,605
Travelling Exps.	193,556	199,700
Petrol & Conveyence Exps.	138,832	213,735
Xerox Exps. & Postage	18,613	3,449
Consultancy Fees	56,250	4,706
ROC Exps.	4,525	1,000
TOTAL	3,521,200	1,349,978
SCHEDULE : 13 - FINANCIAL CHARGES :		
Bank Charges	1,531	3,451
TOTAL	1,531	3,451

SCHEDULE - 14 SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS :**I) SIGNIFICANT ACCOUNTING POLICIES :****1) Historical Cost Basis:**

The financial statements are prepared under the historical cost convention on accrual basis and ongoing concern basis and in accordance with the generally accepted accounting principles, accounting standards issued by the Institute of Chartered Accountants of India, as applicable and relevant presentation requirements of the Companies Act, 1956.

2) Use of Estimates :

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to the contingent liability as at the date of the financial statements and reported amounts of income and expenses like provision for doubtful debts, allowances for slow or non moving inventories, useful lives of fixed assets, provision for taxation and provision of employee benefits, etc., during the period. Management believes the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates.

3) Revenue Recognition :

All Known expenditure and income to the extent payable or receivable respectively and quantifiable till the date of finalization of accounts are accounted on accrual basis.

4) Fixed Assets and Depreciation :

- i) Fixed Assets are carried at cost of acquisition or construction including incidental expenses related to acquisition and installation on concerned assets, less accumulated depreciation and amortization.
- ii) Depreciation has been provided on written down value method in accordance with the provision of Section 205 (2) (b) of the Companies Act, 1956 on prorata basis with reference to the date of acquisition/ installation.

5) Valuation of Investment :

Long term investments are stated at cost. Provision for dimulation in the value of long term investment is made only if such decline is other than temporary in the opinion of the management.

6) Employees Benefits :

No Provision for retirement benefits for employees has been made since the Gratuity Act. Provident Fund Act not applicable to the company. And the company has adopted PAY-AS-YOU- GO method for the Payment of other retirement benefits if any payable to the employees.

7) Foreign currency transaction :

Foreign Currency Transaction are accounted at the exchange rates ruling on the date of the transactions. Foreign currency monetary items as at the Balance Sheet date are restated at the closing exchange rates. Exchange differences arising on actual payments / realizations and year – end restatements are dealt with in the profit and loss account.

8) Provisions, Contingent Liabilities and Contingent Assets :

- i) Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if
 - a) the Company has a present obligation as a result of a past event.
 - b) a probable outflow of resources is expected to settle the obligation and
 - c) the amount of obligation can be reliably estimated
- ii) Contingent liability is stated in the case of :
 - a) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.

- b) A possible obligation, unless the probability of outflow of resources is remote.
- iii) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.
- iv) Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date in accordance with the Accounting Standard AS-29 on "Provisions, Contingent Liabilities and Contingent Assets" issued by the Institute of Chartered Accountants of India.

9) Accounting for Taxes of Income :**i) Current Tax :**

Provision for current income tax is made in accordance with provision of Income Tax Act 1961.

ii) Deferred tax

Provision for deferred tax is calculated at the current rate of Income Tax rates enacted or substantially enacted as at the balance sheet date and is recognized on timing difference, being the difference between taxable income and accounting income that origin in one period and are capable of reversal in one or more subsequent period.

Deferred tax asset, subject to the consideration of prudence is recognized and carried forward only to the extent that there is reasonable certainty that sufficient future income will be available against which such deferred tax asset can be set off.

10) Valuation of Inventories :

- 1) Raw Materials - At Cost
- 2) Finished Goods - At Cost or net realizable value whichever is less.
- 3) Work in process - At Estimated Cost

11) Miscellaneous Expenditure :

Preliminary Expenses: In accordance with the provisions of section 35D of the Income tax Act 1961, the company has written off 1/10 of Preliminary expenses

12) Impairment of Fixed Assets :

Factors giving rise to any indication of impairment of the carrying amounts of the Company's assets are appraised at each Balance Sheet date to determine and provide/reverse an impairment loss. There is no impairment in the carrying cost of Company's Assets.

13) Borrowing Cost :

Borrowing cost directly attributable or funds borrowed generally and used for the purpose of acquisition/ construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised.

14) General :

Accounting policies not specifically referred to are consistent with generally accepted accounting practice

II) NOTES ON ACCOUNTS :

- 1) The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.
- 2) Paise is rounded up to the nearest rupee.
- 3) Previous year's figures have been regrouped, reclassified, restated or recasted wherever necessary to make them comparable with current year's figure or for proper presentation.
- 4) In the opinion of the management, the current assets, loans and advances are approximately of the value stated in the Balance Sheet if realized in the ordinary course of business.
- 5) Balance of Sundry creditors, debtors, loans and advances are subject to confirmation.

6) Auditors Remuneration :
(Amount in Rs.)

Particulars	2010-11	2009-10
As Tax Audit Fees	27575	7500
As others	Nil	0
Total	27575	7500

- 7) Expenditure incurred on employees who are in receipt of remuneration on the aggregate of not less than Rs. 24,00,000/- per annum if employed throughout the year and of Rs. 2,00,000/- per month if employed for part of the year.

Particulars	2010-11	2009-10
No. of Employees	Nil	Nil
Amount Paid	Nil	Nil

- 8) Additional information pursuant to provisions of paragraphs 4C, 3 and 4D of part II of Schedule VI to the companies Act, 1956 (Information given to the extent applicable)

a) Licensed Capacity	Not Applicable
b) Installed Capacity	Not Applicable
c) Quantitative Information	Not Applicable
d) Value of goods imported on CIF	Nil (Previous year Nil)
e) Value of exported calculated on FOB Value	Nil (Previous year Nil)
f) Value of other earning in foreign exchange	Nil (Previous year Nil)
g) Value of other expenses in foreign exchange	Nil (Previous year Nil)

- 9) The audit has been carried out on the basis of the fresh computerized output reconciled.

- 10) We are unable to categories the dues to small scale Industries (SSI) separately due to lack of information regard to the status of the creditors for goods outstanding as on the balance sheet date.

11) Segmentation Reporting :

The company has carried on the business of Finance and Real estate, the disclosure of segment information in pursuance to AS 17 issued by the Institute of Chartered Accountants of India as under.

Previous years figures are given in bracket.

Particular	Finance	Real Estate	Total
Segment Revenues :	1,78,502 (1,51,272)	19,15,025 (42,33,500)	20,93,527 (43,84,772)
Segment Results:	(10,56,607) (23,84,151)	(19,15,025) 42,33,500	(29,71,632) 18,49,349

12) Earning Per Share :

Particulars	2010-2011	2009-10
Profit After Tax	(3,169,947)	10,81,861
Weighted No. of Share	60,01,600	60,01,600
Earning Per Share	(0.52)	0.18

- 13) We have verified the voucher and documentary evidences wherever made available; where no documentary evidence was available we relied on authentication given by management.

- 14) Schedule " 1 to 14" forms the integral part of the Balance sheet as at 31st March 2011 and Profit & Loss Account for the year ended on that date.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
1. REGISTRATION DETAILS :

Registration No. L65923GJ1993PLC020660
 State Code (Refer Code List) 014
 Balance Sheet Date 31-03-2011

2. CAPITAL RAISED DURING THE YEAR : (Amount in Rs. Thousands)

Public Issue NIL
 Right Issue NIL
 Bonus Issue NIL
 Private Placement NIL

3. POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS : (Amount in Rs. Thousands)

Total Liabilities 1455366
 Total Assets 1455366

Source of Funds :

Paid - up Capital 60016000
 Share Application Money NIL
 Reserves & Surplus 2505316
 Secured Loans 0
 Unsecured Loans 8025898
 Deferred Tax Liability NIL

Applicability of Funds :

Net Fixed Assets 1615610
 Investments 1196860
 Net Current Assets 67194774
 Miscellaneous Exp. 540000

4. PERFORMANCE OF COMPANY : (Amount in Rs. Thousands)

Turnover 2093527
 Total Expenditure 5263474
 Profit before tax (3169947)
 Profit after tax (3169947)
 Basic earning per share in Rs. (0.52)
 Dividend Rate --

5. GENERIC NAME OF PRINCIPAL PRODUCT OF THE COMPANY :

Item Code No. (ITC Code) Not Applicable
 Production Description Not Applicable

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

Particulars	Amount As 31-3-2011	Amount As 31-3-2010
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax	(3,169,947.05)	1,681,861.00
Adjustments for :		
Depreciation	198,315.00	167,488.00
Income Tax	-	600,000.00
Deferred Revenue Expenditure	-	
(Profit)/loss on sale of Assets	655,975.00	
Dividend Income	854,290.00	767,488.00
Operating Profit before Working Capital Changes	<u>(2,315,657.05)</u>	<u>1,249,350.00</u>
Adjustments for :		
Decrease/(Increase) in Receivables	4,000,000.00	519,127.00
Decrease/(Increase) in Loans & Advance	(4,705,122.79)	
Increase/(Decrease) in Payables	749,075.84	(891,180.00)
Cash generated from operations	(1,566,581.21)	429,947.00
Income Tax paid	-	-
Net Cash flow from Operating activities	<u>(1,566,581.21)</u>	<u>429,947.00</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	-	56,500.00
Purchase of Investment	-	1,349,675.00
Cash received from Sale of Investment	1,554,700.00	
Dividend Income	-	
Net Cash used in Investing activities	<u>1,554,700.00</u>	<u>1,406,175.00</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Long term Borrowings	144,444.00	(133,000.00)
Net Cash used in financing activities	<u>144,444.00</u>	<u>(133,000.00)</u>
Net increase in cash & Cash Equivalents	132,562.79	140,122.00
Cash and Cash equivalents as at 01.04.2010	175,405.09	35,283.00
Cash and Cash equivalents as at 31.03.2011	307,967.88	175,405.00

ANAND CREDIT LTD.

Registered Office : 11, Krishna Apartment, Bhudarpura Road, Ambawadi, Ahemdabad – 380 006.

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE AT THE A.G.M.

DP. ID	NAME & ADDRESS OF THE REGISTERED SHAREHOLDER
Client Id /	
Folio No.	
No. of Shares	

I hereby record my presence at the 18th Annual General Meeting of the Company at 11, Krishna Apartments, Bhudarpura Road, Ambawadi, Ahmedabad 380 006 on Friday, 30th September, 2011 at 11.00 a.m.

Full name of the Proxy, if attending the Meeting :

Signature of the Member/ Joint Member / Proxy attending the Meeting : _____, 2011

Persons attending the Meeting are requested to bring this Attendance Slip and Annual Report with them. Duplicate Attendance Slip and Annual Reports will not be issued at the Annual General Meeting.

ANAND CREDIT LTD.

Registered Office : 11, Krishna Apartment, Bhudarpura Road, Ambawadi, Ahemdabad – 380 006.

PROXY FORM

I/WE, _____ being a member/members of Anand Credit Ltd. hereby appoint of _____ or failing him/her _____ of _____ As my/ our proxy to vote for me/ us on my/ our behalf at the 17th Annual General Meeting of the Company to be held at 11 Krishna Apartments, Bhudarpura Road, Ambawadi, Ahmedabad 380 006 on Friday 30 the September, 2011 at 11.00 a.m. and at any adjournment thereof.

Registered Folio/DP. ID & Client ID : _____

No. of Shares held : _____

Affix a
Revenue
Stamp

Signed this _____ day of _____, 2011

Signature(s) of Members(s)

Notes :

- Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the time of the Meeting.
- A member entitled to attend and vote at this Meeting is entitled to appoint a proxy and the Proxy need not be a member.

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)**

1. We have examined the Compliance of conditions of Corporate Governance by Anand Credit Limited ("the Company") for the period from during the year ended 1st April, 2010 to 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange.
2. The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us , and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. As required by the Guidance Note issued by the Institute of Chartered Accountant of India we have to state that based on the report given by the Registrar of the Company to the Investor's Grievance Committee, as on 31st March, 2010, there were no investor grievance matter against the Company remaining unattended /pending for more than 30 days.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Ahmedabad
Date : 03.09.2011

FOR, **A.L. THAKKAR & CO.**
Chartered Accountants
Sd/-
(SANJIV V. SHAH)
Partner
Membership No.: 42264
Firm No. 120116W

Book Post

To

ANAND CREDIT LIMITED

Corporate Off. : 11, Krishna Appartments,
Bhudarpura Road, Ambawadi,
Ahmedabad-380006.