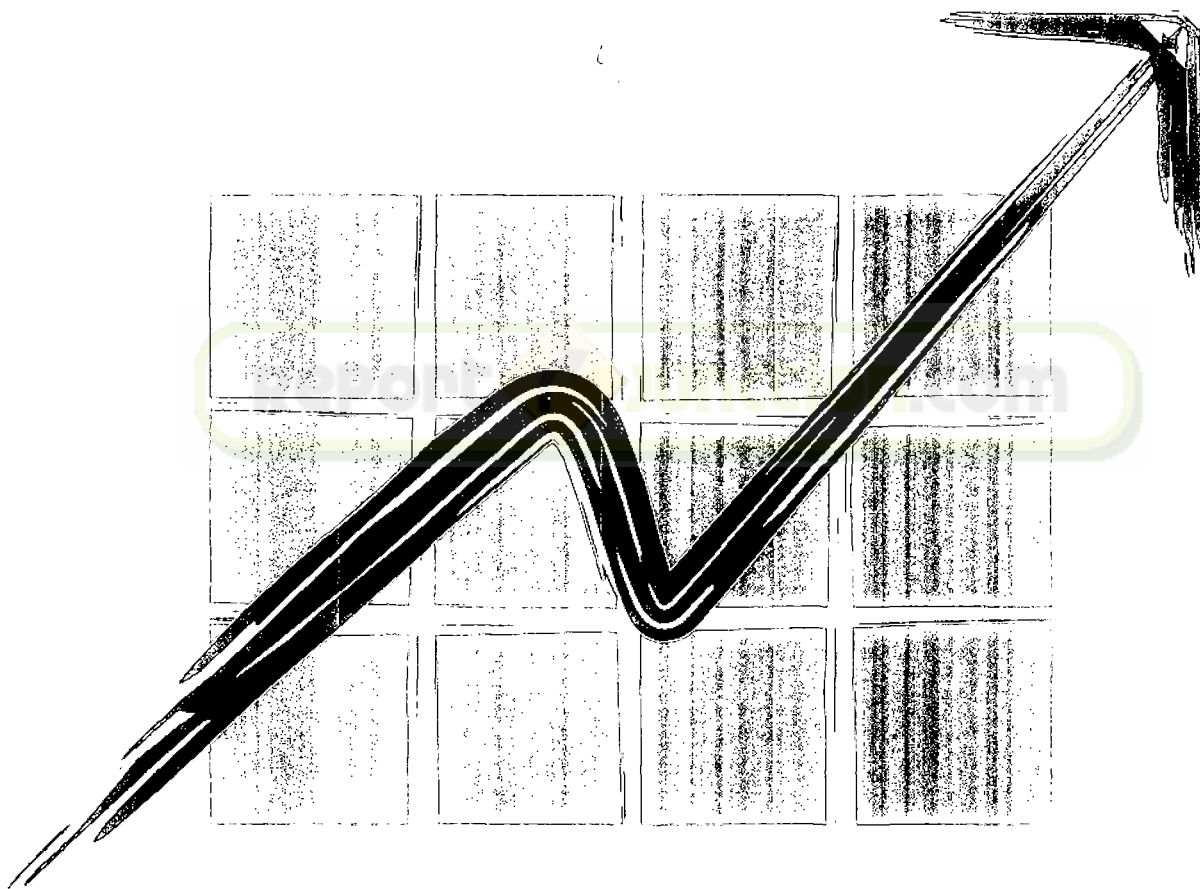


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GUJARAT CREDIT CORPORATION LIMITED

Annual Report 2007-08

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## **GUJARAT CREDIT CORPORATION LIMITED**

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

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

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

**GUJARAT CREDIT CORPORATION LIMITED**

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

**NOTICE**

Notice is hereby given that the Fifteenth Annual General Meeting of the members of Gujarat Credit Corporation Limited will be held on Tuesday, 30<sup>th</sup> September, 2008 at 11.00 a.m. at 606, Sakar-1, Opp. Nehru Bridge, Ashram Road, Ahmedabad to transact the following business.

**ORDINARY BUSINESS**

1. To receive consider & adopt the Balance Sheet as at 31<sup>st</sup> March, 2008, the profit & Loss Account for the year ended on that date and the reports of the Directors' & Auditors thereon.
2. To appoint Director in place of Shri Amam S. Shah, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Director in place of Shri Vipul H. Raja, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Parikh Mehta & Associates, Chartered Accountants, Vadodra as Auditors of the Company to hold office from conclusion of this Annual General Meeting till conclusion of next Annual General Meeting at a remuneration to be decided by the Board of Directors of the Company.

By Order of the Board of Directors

Date : 30th June 2008

Registered Office:

606, Sakar-I, Ashram Road,

Ahmedabad- 380009.

Amam S. Shah

Managing Director

# GUJARAT CREDIT CORPORATION LIMITED

## : NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of the Members & Share Transfer Books of the Company will remain closed from Tuesday, 23/09/08 to Tuesday, 30/09/08 [both days inclusive].
4. Shareholders desirous of asking any question at the Annual General Meeting are requested to send in their questions so as to reach the Company at least five days before the Annual General Meeting so that the same can be suitably replied.
5. Share transfer documents and all correspondence relating thereto, should be addressed to Registrar and Share Transfer Agents of the Company, M/s Pinnacle Shares Registry Private Ltd., Nr. Ashoka Mills, Naroda Road, Naroda, Ahmedabad-380 025, Tel.: 079- 22200338, 22200582, Fax: +91-79-2220 29 63 E-mail girish.patel@psrpl.com.
6. Members who hold shares in physical form are requested to notify immediately any changes in their addresses to the Registrar and Share Transfer Agents at the above address and to their depository participants, in case shares are held in electronic mode.
7. At the ensuing Annual General Meeting, Shri Amam S. Shah and Shri Vipul.H.Raja shall retire by rotation and being eligible, offer themselves for reappointment.

Pursuant to Clause 49 of the Listing Agreement, the particulars of Directors to be reappointed are given below.

- 1) Name : Shri Amam S. Shah  
 Address : 31, Anand Nagar, Paldi, Ahmedabad-380007  
 Age : 37 years  
 Nationality : Indian  
 Occupation : Business  
 Qualification : B.Com.  
 Experience : 15 years  
 Date of Appointment : 1/11/1993

Following are the companies in which he is Director :

1. GCCL Infra & Proj. Limited
2. GCCL Construction & Realities Limited
3. GCCL Securities Limited
4. DMCC Oil Terminal (Navlakhi) Limited
5. Amam Investment Limited.

He is Executive Non Independent Director of the Company.

- 2) Name : Shri Vipul H.Raja  
 Address : 10<sup>th</sup> Floor, Sumeri Building,  
 Nr, Suvidha Shopping Centre,  
 Paldi, Ahmedabad-380007  
 Age : 55 years  
 Nationality : Indian  
 Occupation : Business  
 Qualification : B.Com.  
 Experience : 25 years  
 Date of Appointment : 4/10/2005

Following are the companies in which he is Director :

1. Gujarat Ambuja Cement Limited
2. Sumeru Industries Limited

He is an Independent Director of the Company. He does not held any shares in the Company.

By Order of the Board of Directors

Date : 30<sup>th</sup> June 2008

Registered Office :

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

Amam S. Shah  
 Director

## DIRECTORS' REPORT

To  
The Members  
Gujarat Credit Corporation Limited  
Ahmedabad-380009.

Your Directors presents their Fifteenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31<sup>st</sup> March 2008.

### FINANCIAL RESULTS:

Particulars	2007-2008 (RS in Lacs)	2006-2007 (RS in Lacs)
Profit/[-]Loss before depreciation & Tax:	192.22	(221.62)
Depreciation	4.17	3.53
Taxation	0.44	4.93
Profit/[-]Loss for the year	187.61	(213.16)
Profit/[-]Loss brought forward from previous year.	72.50	285.66
Profit /[-]Loss Carried To Balance Sheet	260.03	72.50

### OPERATIONS :

The company has earned Rs. 355.57 lakhs towards development income. The business in dealing with computers is discontinued. The company has incurred loss in its capital market related activities.

### MANAGEMENT DISCUSSION & ANALYSIS

#### Industry structure and development

Real estate industry is touching new heights. The positive outlook of government is the key factor behind rise of the Real Estate sector. This sector is witnessing development in all area such as - residential, retail and commercial.

Real Estate in Ahmedabad is booming and is undergoing dramatic changes; the development of residential townships, malls, office spaces, flyovers and roads are fast changing the Ahmedabad cityscape.

The government authorities are encouraging the growth of six types of mini townships in Ahmedabad:

- Technology Parks
- Education based townships
- Medical and Health care townships
- Tourism and tourism related townships
- Logistics Parks
- Residential townships

These developments, coupled with healthy economic growth indicators triggered a lot of activity and capital appreciation in the sector over the past few years.

Over the long term, the demand for commercial, retail and residential segments will remain strong notwithstanding the global uncertainties on account of the sub prime crisis, potential US slowdown and a weakening dollar.

#### Opportunities & Threats:

##### Opportunities:

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

Our vision is to be a leader in the real estate industry with best client service.

##### Threats:

- Low profit margins and an inequitable distribution of technological risk and financial reward.

## GUJARAT CREDIT CORPORATION LIMITED

- The pressures of time, cost and programme, rather than quality and value in the delivery of its products and services.
- There is a heavy reliance on "lowest tender" contracting systems.
- The Industry's image affects its ability to attract the best employees.
- The Industry is fragmented into many self-interest groups.

### SEGMENT WISE PERFORMANCE

During the year under review, the Company was engaged in real estate development activities. It earned its income in the form of development charges from real estate development business.

### OUTLOOK

The changing structure of the construction industry has paved the way for the organized sector to play a more active role in the development of the sector. Your Company plans to develop new projects during current year.

### RISK & CONCERNS

Barring a handful of large companies, the industry set up is characterized by the performance of small-unorganized contractors. To counter the growing competition and keeping in view the rising outlays on construction projects, the large companies in the sector are increasingly invest in capital equipments.

### INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

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

### CAUTIONARY STATEMENT:

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

### CODE OF CONDUCT

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

### CORPORATE GOVERNANCE

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

### DIRECTORS:

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

### AUDITORS AND AUDITORS' REPORT:

The Auditors' M/s Parikh Mehta & Associates Chartered Accountants, vadodra holds office until the conclusion of the ensuing Annual General Meeting and are recommended for reappointment for the year 2008-2009. The Company has received certificate from the Auditors' to the effect that the reappointment if made, would be within prescribed limit under Section 224 (1-B) of the Companies Act, 1956.

The notes at schedule 12 are self-explanatory and do not require further clarifications.

### FIXED DEPOSITS:

The Company has not accepted any deposits from the public.

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

Particulars required to be furnished by the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988:

Part A and B pertaining to conservation and technology absorption are not applicable to the Company. However the Company endeavored to conserve energy consumption wherever feasible.

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

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

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

- (i) in preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at end of the financial year and of the profit or loss of the company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors had prepared the annual accounts on a going concern basis.

**PARTICULARS OF EMPLOYEES:**

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

**ACKNOWLEDGMENTS:**

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

Place: Ahmedabad  
Date : 30/6/2008.  
Registered office:  
606, Sakar I, Ashram Road,  
Ahmedabad- 380 009.

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

Chairman