



GUJARAT CREDIT CORPORATION LIMITED

Annual Report 2009-2010

GUJARAT CREDIT CORPORATION LIMITED

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

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

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

GUJARAT CREDIT CORPORATION LIMITED

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

NOTICE

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

ORDINARY BUSINESS

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

By Order of the Board of Directors

Date: 30/06/2010.

Registered Office:

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

Amam S Shah

Managing Director

GUJARAT CREDIT CORPORATION LIMITED

NOTES

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

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

1. Mr. Bahubali S Shah

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

Other Committee memberships

2. Mr. Vipul H Raja

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

Other Committee memberships

By Order of the Board of Directors

Date: 30/06/2010

Amam S Shah
Managing Director

Registered Office:

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

DIRECTORS' REPORT

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

FINANCIAL RESULTS:

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

OPERATIONS:

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

MANAGEMENT DISCUSSION & ANALYSIS

Industry structure and development

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

Opportunities & Threats

Opportunities

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

Threats

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

SEGMENT WISE PERFORMANCE

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

Internal Control Systems & their Adequacy:

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

Cautionary Statement

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

GUJARAT CREDIT CORPORATION LIMITED

CODE OF CONDUCT

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

CORPORATE GOVERNANCE CLAUSE 49

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

DIRECTORS:

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

AUDITORS AND AUDITORS' REPORT:

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

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

FIXED DEPOSITS:

The Company has not accepted any deposits from the public.

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

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

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

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

DIRECTOR'S RESPONSIBILITY STATEMENT:

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

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

PARTICULARS OF EMPLOYEES:

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

ACKNOWLEDGEMENTS

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

Place: Ahmedabad

Date: 30/06/2010

For and on behalf of the Board of Directors

Registered office:

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

**Bahubali Shah
Chairman**

GUJARAT CREDIT CORPORATION LIMITED

CORPORATE GOVERNANCE

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

MANDATORY REQUIREMENTS

1. Company's Philosophy & Code of Governance

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

2. Board of Directors

Composition of Board:

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

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

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

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

Details of Board Meetings held during the year 2009-10

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

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

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

3. AUDIT COMMITTEE

Composition:

The audit committee comprises of following directors as on 31.3.2010

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

Terms of Reference:

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

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

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

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