



GUJARAT CREDIT CORPORATION LIMITED

ANNUAL REPORT 2010-2011

GUJARAT CREDIT CORPORATION LIMITED

BOARD OF DIRECTORS : SHRI BAHUBALI S. SHAH - CHAIRMAN
SHRI AMAM S. SHAH - 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, SAMPATARAO 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 Eighteenth Annual General Meeting of the Members of Gujarat Credit Corporation Limited will be held on Wednesday, 28th September, 2011 at 10.30 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 31st March, 2011, 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 being eligible offers himself for reappointment.
3. To appoint Director in place of Shri Shriraj Jhaveri, 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.

SPECIAL BUSINESS

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

"RESOLVED that in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), the Company hereby approves appointment of Mr. Amam Shah as Managing Director of the Company for a period of five years with effect from 1st July, 2011, upon the terms and conditions, as are set out in the draft Agreement ("the Agreement") to be executed between the Company and Mr. Amam Shah, which Agreement placed before this meeting duly initialled by the Chairman for the purpose of identification is hereby specifically approved with liberty to the Board of Directors of the Company ("the Board") to alter and vary the terms and conditions of the Agreement in such manner as may be agreed to between the Board and Mr. Amam Shah and in accordance with the applicable provisions of the Act and any amendment thereto or re-enactment thereof;

RESOLVED further that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem desirable, necessary, expedient, usual or proper to implement this resolution."

NOTES

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend the meeting and vote on a Poll, if any, in his/her stead and the proxy need not be a member of the Company.
2. The instrument appointing proxies, in order to be effective, must be received by the Company at the registered office, not less than 48 hours before the scheduled time of the meeting. A blank proxy form is annexed to this notice.
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Businesses to be transacted at the meeting (Item No.5 of the notice) is annexed hereto.
4. As required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges the relevant details of Shri Amam S. Shah & Shri Shriraj S. Jhaveri, Directors retiring by rotation and seeking re-appointment under Item No. 2, 3 and 5 of the Notice respectively, are annexed herewith.

GUJARAT CREDIT CORPORATION LIMITED

5. Register of Members and Share Transfer Books of the Company was remained closed from Wednesday, the 21 September, 2011 to Wednesday, the 28 September, 2011 (both days inclusive).
6. Members are requested to visit the website of the Company 'www.gccl.co.in' for viewing the quarterly & annual financial results and for more information on the Company.
7. For any investor-related queries, communication may be sent by e-mail to 'gujaratcredit@gmail.com'.
8. M/s Sharepro Services(India) Private Limited (Sharepro) is the Registrar & Share Transfer Agent (R&TAgent) of the Company. All investor related communication may be addressed to Sharepro at the following address;
M/s Sharepro Services(India) Private Ltd.
416-420, 4th Floor, Devnandan Mall, Opp. Sanyas Ashram, Ashram Road, Ahmedabad-380 006.
Tel.: (079) 26582381 - 84
E-mail : sharepro.ahmedabad@sharepro.com
9. Members are requested to send their queries, if any, to reach the Company at its Registered Office, at least 10 days before the meeting, so that the information can be compiled in advance.
10. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting.

By Order of the Board of Directors

Date : 28/06/2011

Amam S Shah
Managing Director

Registered Office:
606, Sakar-I, Ashram Road,
Ahmedabad- 380009.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

ITEM NO: 5

On recommendation of remuneration committee, the Board of Directors, at their meeting held on 28th June, 2011, appointed Mr. Amam Shah as Managing Director of the Company for a period of five years with effect from 1st July, 2011, subject to the approval of the shareholders in a general meeting. Shri Amam Shah has been associated with the Company since incorporation and has been instrumental in formulation of long-term vision and strategy of the Company. Members' approval is required for the appointment of Shri Amam Shah as Managing Director of the Company w.e.f. 1 July, 2011. The material terms and conditions of the appointment contained in the draft Agreement between the Company and Mr. Amam Shah are as follows:

1. The Managing Director shall, subject to the supervision and control of the Board of Directors, carry out such duties as may be entrusted to him by the Directors and shall exercise such powers as are delegated to him by the Board of Directors.
2. Period of Agreement: 5 years from 1st July, 2011.
3. Remuneration:

Salary: Nil

Medical reimbursement for self and family, Leave and Leave Travel Concession for self and family and Personal Accident Insurance shall be in accordance with the rules of the Company. The Company shall provide a car, mobile phone and telephone facility at residence for business use. The Managing Director shall be entitled to reimbursement of all actual expenses or charges including travel entertainment or other out of pocket expenses incurred by him for and on behalf of the Company, in furtherance of its business and objects.

4. The terms and conditions of the said appointment and/or Agreement may be altered, enhanced or varied from time to time by the Board as it may, in its discretion, deem fit.
5. The Agreement may be terminated by either party giving the other party six months' notice.
6. For the purposes of calculating the value of reimbursements hereinabove, the same shall be evaluated as per Income Tax Rules, 1962, wherever applicable or at actual cost.
7. The Managing Director shall not be entitled to receive any fees for attending meetings of the Board/Committee.

The draft Agreement between the Company and Mr. Amam Shah is available for inspection by the members of the Company at its Registered Office at 606, Sakar-I, Ashram Road, Ahmedabad- 380009 between 4.00 p.m. and 5.00 p.m. on any working day of the Company upto the date of Annual General Meeting.

This may be treated as an abstract of the Agreement between the Company and Mr. Amam Shah pursuant to Section 302 of the Companies Act, 1956.

None of the Directors other than Mr. Amam Shah is interested in this Resolution since it relates to his appointment.

By Order of the Board of Directors

Date : 28/06/2011

Amam S Shah
Managing Director

Registered Office:

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

GUJARAT CREDIT CORPORATION LIMITED

Details of the Directors seeking re-appointment in the Eighteenth Annual General Meeting [Pursuant to Clause 49 of Listing Agreement of Bombay Stock Exchange]

1. Name of Director	Mr Amam Shah	Mr Shriraj Jhaveri
2. Date of Birth	30/12/1971	06/05/1952
3. Relationships with other Directors	Nephew	None
4. Date of Appointment	1/11/1993	1/11/1993
5. Expertise	General Management	Marketing
6. Qualification	B.Com	B.Com
7. No. of Equity Shares held in the Company	2000000	10
8. List of other companies in which directorship are held	GCCL Construction & Realities Ltd. GCCL Infrastructure & Projects Ltd. GCCL Securities Ltd. DMCC Oil Terminals (Navlakhi) Ltd.	GCCL Infrastructure & Projects Ltd. Lipi Mercantile Ltd. Deepshikha Impex Ltd.
9. List of committees of the Board of Directors (across all companies) in which Chairmanship/ Membership is held	Share Holders Grivances Committee	Audit Committee

Note:

The Directorships held by Directors as mentioned above, do not include Directorships of Private Limited Companies.

DIRECTORS' REPORT

To,
The Members
GUJARAT CREDIT CORPORATION LIMITED,

Your Directors presents their Eighteenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2011.

FINANCIAL RESULTS:

Particulars	2010-2011 (RS in Lac)	2009-2010 (RS in Lac)
Profit/Loss for the year	(10.75)	(38.65)
Profit/Loss brought forward from previous year.	158.04	196.47
Profit Carried To Balance Sheet	147.29	158.04

OPERATIONS:

The company has earned Rs 15.09 lacs as project income and Rs 22.11 lacs as other income.

MANAGEMENT DISCUSSION & ANALYSIS

At present, your Company is not pursuing any of its main objects and hence the Board has not commented upon Industry Structure & Development, Opportunities & Threats, Future Outlook, and Risk & Concerns.

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.

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

The clause 146 read with clause 170 of Articles of Association of the Company provide that at least two-thirds of our Directors shall be subject to retirement by rotation. One third of these retiring Directors must retire from office at each Annual General Meeting of the shareholders. A retiring Director is eligible for re-election.

Shri Amam S. Shah and Shri Shriraj Jhaveri, Directors will retire by rotation and being eligible, offers themselves for reappointment. The details of their re-appointment together with nature of their expertise in specific functional areas and names of the companies in which they hold office as Director and/or the Chairman/Membership of Committees of the Board, are provided in the Notice of the ensuing Annual General Meeting.

Shri Amam S Shah was reappointed as managing in Board Meeting held on 28/6/11 in terms of Section 269(1) of the Companies Act, 1956 and CEO as required under clause 49 of the listing agreement w. e. f. 1/7/2011 subject to approval of members.

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.

GUJARAT CREDIT CORPORATION LIMITED

STATUTORY DISCLOSURES:

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.

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.

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.

CASH FLOW

A Cash Flow statement for the year ended March 31, 2011 is attached to the Balance Sheet.

AUDITORS AND AUDITORS' REPORT

The Auditors' M/s Parikh Mehta & Associates Chartered Accountants, Baroda holds office until the conclusion of the ensuing Annual General Meeting and are recommended for reappointment for the year 2011-2012. 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.

INSURANCE

The Company's assets are adequately insured against major risks.

ACKNOWLEDGMENTS

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

Place: Ahmedabad

Date : 28/06/2011

Registered office:

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

For and on behalf of the Board of Directors

Bahubali Shah
Chairman

GUJARAT CREDIT CORPORATION LIMITED

CORPORATE GOVERNANCE

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

This section on Corporate Governance forms part of the Directors' Report to the shareholders. This report is given in terms of clause 49 of the Listing Agreement entered with the Mumbai Stock Exchange where the shares of the Company have been listed.

1. Company's Philosophy & Code of Governance

Your company's corporate governance policy is directed towards adherence to ethical business practices. All mandatory requirements as also a few non-mandatory requirements prescribed by Clause 49 of the Listing Agreement have been implemented by the Company. Non-mandatory requirements such as formation of Remuneration Committee have been implemented. Codes of business conduct, adopted by the directors and senior management personnel, are posted on the website of the Company (www.gccl.co.in).

All board members and senior management personnel have affirmed compliance with the respective codes of conduct for the year ended March 31, 2011. In terms of Clause 49 (I) (D) of the Listing Agreement, the Managing Director has given the requisite declaration to this effect. In terms of Clause 49 (V) of the Listing Agreement, the Chairman and Managing Director [CEO] and CFO have given the requisite certification to the Board of Directors in the prescribed format for the period under review.

2. Board of Directors

Composition of Board:

The strength of the Board as on March 31, 2011 was Five and all are non-executive promoter directors and three are independent directors. The requisite particulars are given below: -

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

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

Board Meetings

The Board of Directors oversees management performance in order to ensure adherence to highest standards of corporate governance. The Board evaluates the strategic direction, management policies and their effectiveness and provides guidance and leadership to the management in achieving set goals. Board meeting dates are finalised in consultation with all directors. The Board is regularly apprised about important business related information and developments. Board members express opinions and bring up matters for discussion at its meetings. Board meeting minutes are circulated to all Directors in advance and confirmed at the subsequent Board meeting. Copies of signed minutes of the various Committees of the Board and Board meetings of subsidiaries of the Company are tabled at Board meetings.

Details of Board Meetings

In compliance with the provisions of Clause 49 of the Listing Agreement, the Board meetings are held at least once every quarter and the time gap between two meetings is not more than four months. During the year, five Board Meetings were held.

Date of Meeting	29/4/10	30/6/10	30/7/10	29/10/10	31/01/11
No. of directors Present	5	5	5	5	5

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