



JAYABHARAT CREDIT LIMITED

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JAYABHARAT CREDIT LIMITED

58th Annual Report 2000-2001

Registered Office :

Solitaire Corporate Park, 2nd Floor, Bldg. No. 5, 151, M. Vasanji Road, Chakala, Andheri (E),
Mumbai 400 093 • Tel.: 8256430-31-32 • Fax : 8256501 E-mail jcl@jayabharat.com

BOARD OF DIRECTORS

- : SHRI VED PRAKASH GUPTA (CHAIRMAN)
SHRI C. P. SHAH
SHRI G. V. KAPADIA
SHRI O. P. GUPTA
SHRI RAJIV GUPTA
SHRI SHARAD SANGHI
SHRI SHRAVAN GUPTA
SHRI SIDHARTH GUPTA (Alternate Director to Shri Rajiv Gupta)

SHRI BIPIN B. BHAVSAR (Executive Director & Company Secretary)

AUDITORS

- : SHARP & TANNAN
Chartered Accountants

SOLICITORS

- : MULLA & MULLA & CRAIGIE BLUNT & CAROE
MANILAL KHER AMBALAL & CO.
BANATWALA & CO.

BANKERS

- : BANK OF BARODA
BANK OF INDIA
CENTRAL BANK OF INDIA

BRANCH OFFICES

Delhi

- : 3/17A, Grover Mansion
Asaf Ali Road, New Delhi 110 002

Calcutta

- : Chitrakoot Building, 5th floor
230A, Acharya Jagdishchandra Bose Road
Calcutta 700 020

Bangalore

- : 305, Raheja Chambers, 12, Museum Road
Bangalore 560 001

Ahmedabad

- : 6, Blue Star Complex, Opp. Gujarat High Court
Near Railway Crossing, Off Ashram Road
Ahmedabad 380 009

Jullundur

- : P.S. Jain Commercial Complex
G.T. Road, Jullundur City 144 001

Indore

- : Chetak Chambers, RNT Marg
Indore 452 001.



JAYABHARAT CREDIT LIMITED

Notice

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

Date : 26th July, 2001
Day : Thursday
Time : 11.30 A.M.
Place : M.C. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Building, 18/20 Kaikhushru Dubhash Marg, Mumbai-400 001.

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Company's Balance Sheet as at 31st March, 2001 and the Profit and Loss Account for the year ended on that date together with schedules annexed thereto and the Reports of the Directors and Auditors thereon.
2. To declare dividend for 2000-2001.
3. To appoint Director in place of Mr.G.V. Kapadia who retires by rotation, and being eligible, offers himself for reappointment.
4. To appoint Director in place of Mr. C.P. Shah who retires by rotation, and being eligible, offers himself for reappointment.
5. To appoint Director in place of Mr. O.P. Gupta who retires by rotation, and being eligible, offers himself for reappointment.
6. To appoint auditors and fix their remuneration.

AS SPECIAL BUSINESS :

7. To consider and, thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Bipin B. Bhavsar, an Additional Director of the Company holding the office upto the date of this Meeting and in respect of whom the Company has received a notice u/s 257 from a member signifying the intention of such member to propose him as a candidate for the office of Director, be and he is hereby appointed

as Director of the Company with effect from the commencement of this Meeting."

8. To consider and if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

"RESOLVED THAT in pursuance of the provisions under Sections 269, 198, 309, 310, 311, Schedule XIII and other applicable provisions of the Companies Act, 1956, the Company in general meeting hereby approves the appointment of and remuneration payable to Mr. Bipin B. Bhavsar as whole time Director designated as Executive Director & Company Secretary for the period commencing on 1st February, 2001 and ending on 31st January, 2006 subject to the remuneration by way of monthly salary in range of Rs. 45,000/- to Rs.85,000/- as well as perquisites and other terms as contained in the draft agreement placed before the meeting and duly signed by the Chairman for the purpose of identification, which draft agreement be and it is hereby approved."

"FURTHER RESOLVED THAT in the event of absence or inadequacy of profits in any financial year during the currency of the term of the appointee, the Company shall pay as minimum remuneration to the appointee, in respect of such financial year, the remuneration by way of salary and/or perquisites as may be decided by the Board of Directors in consultation with the appointee provided that such remuneration in aggregate shall not exceed the permissible applicable limits as specified in Section II of Part II of Schedule XIII of the Companies Act, 1956."

By Order of the Board

For **JAYABHARAT CREDIT LIMITED**
BIPIN B. BHAVSAR
Executive Director &
Company Secretary

Mumbai, 5th June, 2001

Registered Office :
Solitaire Corporate Park,
2nd Floor, Building No. 5,
151, M.Vasanji Road,
Chakala Andheri (E),
Mumbai- 400 093.

Annexure to the Notice

The following constitutes the explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, setting out all material facts in respect of the Special Business as per the accompanying notice convening 58th Annual General Meeting.

Item No. 7 : Ordinary Resolution

This item relates to the appointment of Mr. Bipin B. Bhavsar as Director of the Company.

Your Board of Directors of the Company appointed at its Board Meeting held on 30th January, 2001; Mr. Bipin B. Bhavsar as Additional Director of the Company.

An Additional Director holds the office upto the date of the next Annual General Meeting as provided in Section 260 of the Companies Act, 1956.

The Company has received from a member a notice in writing, pursuant to the provisions under Section 257 and alongwith the deposit of Rs. 500/-, signifying the intention of such member to propose Mr. Bipin B. Bhavsar as a candidate for the office of Director of the Company.

As you may be aware, Mr. Bipin B. Bhavsar is a qualified Company Secretary and holds University degrees in Commerce and law. He possesses wide-ranged experience in the industry spanning over 25 years. Mr. Bipin B. Bhavsar joined the Company in 1989 and lastly elevated as manager u/s 269 of the Companies Act, 1956 with effect from 1st September, 1999.

Except Mr. Bipin B. Bhavsar, none of the Directors may be regarded as interested or concerned in the resolution.

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Item No. 8 : Ordinary Resolution

This item relates to the approval of the Company in general meeting to the appointment of and remuneration payable to Mr. Bipin B. Bhavsar as whole time Director of the Company designated as Executive Director & Company Secretary for a period of five years from 1st February, 2001.

As you may be aware, Mr. Bipin B. Bhavsar was appointed as Manager designated as Chief Executive Officer (Manager & Company Secretary) for a period of five years from 1st September, 1999.

At its Meeting held on 30 th January, 2001 your Board of Directors has elevated Mr. Bipin B. Bhavsar by making him a member of the Board and thereafter appointed him as whole time Director designated as Executive Director & Company Secretary. The term of appointment covers a period of five years from 1st February, 2001 to 31st January, 2006.

The remuneration payable to Mr. Bipin B. Bhavsar will be subject to and within Schedule XIII of the Companies Act, 1956 and will comprise of :

Salary :

In the range of Rs. 45,000/- to Rs. 85,000/- per month (as may be fixed by the Board of Directors from time to time).

Perquisites : Shall be as per details given below subject to the ceiling laid down in Schedule XIII of the Companies Act, 1956.

Category 'A' :

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|------------------------------|--|
| i) Housing I | : The expenditure by the Company on hiring/leasing furnished accommodation will be subject to 60% of salary, over and above 10% payable by the Appointee. |
| Housing II | : In case the accommodation is owned by the Company 10% of the salary of the Appointee shall be deducted by the Company. |
| Housing III | : In case no accommodation is provided by the Company, the Appointee shall be entitled to house rent allowance subject to the ceiling laid down in Housing I. The expenditure incurred by the Company on gas, electricity, water and furnishing will be valued as per the Income Tax Rules 1962. This will however, be subject to a ceiling of 10% of the salary of the Appointee. |
| ii) Medical Reimbursement | : Medical benefits for himself, and his family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years. |
| iii) Leave Travel Concession | : Leave Travel Concession shall be once in a year for himself and his family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years. |

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|--------------------------------|--|
| iv) Club Fees | : Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fees. |
| v) Personal Accident Insurance | : Premium not to exceed Rs. 4,000/- per annum. |

Category 'B' :

Contribution to Provident Fund will not be included in the computation of the ceiling on perquisites to the extent it is not taxable under the Income Tax Act, 1961. Gratuity payable shall not exceed half month's salary for each completed year of service.

Leave Encashment not exceeding one months' leave for every 11 months. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling of perquisites.

Benefits of loan or other benefits as may be provided by the Company under its rules and regulations in force from time to time.

Category 'C' :

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Appointee.

In the event of loss or inadequacy of profit in any Financial Year, the payment of salary and perquisites shall be subject to and within the applicable, permissible limits specified in Schedule XIII.

The draft agreement proposed to be entered with the appointee will be available for inspection at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on any working day upto the date and also at the ensuing Annual General Meeting .

None of the Directors of the Company may be regarded as concerned or interested in this Resolution except Mr. Bipin B. Bhavsar.

As per the provisions of Section 302 of the Companies Act, 1956 the terms hereof relating to the appointment and remuneration payable to Mr. Bipin B. Bhavsar as 'whole time Director' of the Company may also be treated as an Abstract and Memorandum of Interest thereunder.

By Order of the Board

For JAYABHARAT CREDIT LIMITED
BIPIN B. BHAVSAR
 Executive Director &
 Company Secretary

Mumbai, 5th June, 2001

Registered Office :
 Solitaire Corporate Park,
 2nd Floor, Building No. 5,
 151, M. Vasanji Road,
 Chakala Andheri (E),
 Mumbai-400 093.



JAYABHARAT CREDIT 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 SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours, before the Meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday 19th July, 2001 to Thursday 26th July, 2001 (both days inclusive).
4. Shareholders desiring any general information as regards Accounts are requested to write to the Company not less than 48 hours before the Meeting, so as to enable the Management to keep the information ready.
5. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
6. Shares held by the same person in more than one folio have been consolidated to the extent possible. If you hold shares in more than one folio, you are requested to intimate the details of folios allotted to you, to enable us to consolidate these into a single folio.
7. Shareholders are requested to notify any change of address to the Company.
8. The unclaimed dividend/s up to financial year 1994-95 have been transferred to the General Revenue Account of the Central government under Section 205A of the Companies Act, 1956. Shareholders, who have not encashed their dividend warrants for the period upto the aforesaid financial year are requested to claim the amount from the Registrar of Companies, Hakoba Compound, 2nd Floor, Dattaram Lad Marg, Chinchpokli (East), Mumbai 400 033. Such shareholders may quote our Company's registration number being 3899 for this purpose.

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IMPORTANT

Shareholders are requested to directly send Share Transfer/Communication etc. to the Registered Office of the Company

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Directors' Report

To

Our Shareholders,

Your Directors have pleasure in presenting the 58th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2001.

	2000-2001 (Rs. in Lacs)	1999-2000 (Rs. in Lacs)
1. Investment In:		
(a) Hire Purchase Business	1720	1114
(b) Leasing	190	388
(c) Bill Discounting	356	321
2. Receivables Against :		
(a) Hire Purchase & Leasing	3012	2044
(b) Bill Discounting	102	139
3. Income :		
(a) Hire Purchase Charges	342	340
(b) Lease Rentals	776	638
(c) Bill Discounting Charges	25	20
(d) Other Income	218	535
4. Gross Profit before Depreciation & Income tax	547	586
5. Depreciation	451	457
6. Tax Provision	10	17
7. Tax Provision on Dividend Amount	6	7
8. Profit After Depreciation and Income Tax	86	112
9. Proposed/Interim Dividend	60	60

1. DIVIDEND :

Your Directors recommended to the members dividend of Rs. 1.20 (tax-free) per share in respect of 50,00,000 Equity Shares of Rs. 10/- each for the year ended 31st March, 2001.

2. RESERVES :

During the year under review, the Company has transferred from the Profit to Reserves :

(i) Special Reserve Rs. 17.50 lacs in terms of RBI (Amendment Ordinance, 1997 effective from 09/01/97 and (ii) General Reserve Rs. 4.50 lacs, leaving a balance of Rs. 104.60 lacs in Profit & Loss A/c.

3. RBI'S GUIDELINES TO NON-BANKING FINANCE COMPANIES (NBFCs) ON PRUDENTIAL NORMS & CREDIT RATING

Your Directors are happy to inform that the Company has followed and complied with RBI guidelines and as against minimum requirement of 12%, the Company's Capital Adequacy Ratio is 30.35% as on 31st March, 2001.

M/s. ICRA Limited has rated your Company 'M A' which denotes adequate safety i.e. timely servicing of interest and principal.

4. OPERATIONS :

The Company has witnessed the sluggish economic condition in India. The finance market was unsteady and volatile coupled with the frequent unusual development in stock market position. Although there was a falling trend in the finance market, your Directors are happy to submit a generally satisfactory performance.

5. PROSPECTS FOR CURRENT YEAR :

Your Directors are happy to mention that now the trend in the finance market is becoming favourable and the automobile market especially car market is improving. It is felt that the Company will source good business.

6. DIRECTORATE :

Messrs G.V. Kapadia, C.P. Shah, O.P. Gupta retire by rotation and are eligible for reappointment as Directors of the Company. Mr. B.D. Desai retired as Director and the Board appreciates services rendered by him during the tenure of his directorship.

Mr. Bipin B. Bhavsar was appointed as Additional Director (and designated as Executive Director of the Company) with effect from 01.02.2001 in the Meeting of the Board of Directors held on 30th January, 2001. Mr. Bipin B. Bhavsar holds office upto the date of ensuing Annual