

ANNUAL REPORT 2007 - 2008



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JAYABHARAT CREDIT LIMITED



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JAYABHARAT CREDIT LIMITED

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65th Annual Report 2007 - 2008

Registered Office:

Solitaire Corporate Park, 2nd Floor, Bldg.No.5, 151, M.Vasanji Road, Chakala, Andheri (E), Mumbai 400 093.

Tel.: 2825 6430 - 31- 32 • Fax: 2825 6501.

Email: jcl@jayabharat.com • Website : www.jayabharat.com

BOARD OF DIRECTORS	: SHRI. RAJIV GUPTA (CHAIRMAN) SHRI. SHARAD SANGHI SHRI. ARUN MITTER SHRI. BIPIN B.BHAVSAR (Executive Director & Company Secretary)
AUDITORS	: SHARP & TANNAN Chartered Accountants
SOLICITORS	: MULLA & MULLA & CRAIGE BLUNT & CAROE MANILAL KHER AMBALAL & CO.
BANKERS	: BANK OF BARODA BANK OF INDIA CENTRAL BANK OF INDIA
BRANCH OFFICES	
Ahmedabad	: 6, Blue Star Complex, Opp.Gujrat High Court, Near Railways Crossing, Off Ashram Road, Ahmedabad 380 009.
Bangalore	: 305, Raheja Chambers, 12, Museum Road, Bangalore 560 001.
Kolkata	: Chitrakoot Building, 5 th Floor, 230A, Acharya Jagdishchandra Bose Road, Kolkata 700 020.
Mumbai	: 22, Rajabhadur Mansion, 4 th Floor, Near Stock Exchange, Opp. SBI Main Branch, Mumbai Samachar Marg, Fort, Mumbai 400 023.
New Delhi	: 17-B, Asaf Ali Road, New Delhi 110 002.



JAYABHARAT CREDIT LIMITED

Notice

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

Date 10th September, 2008

Day Wednesday

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, 2008 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 2007-08.
3. To appoint Director in place of Mr. Sharad Sanghi, who retires by rotation, and being eligible, offers himself for reappointment.
4. To appoint auditors and fix their remuneration.
5. To consider and, if thought fit, to pass, with or without modification, the following Resolution as **SPECIAL RESOLUTION** :

"RESOLVED THAT in accordance with the provisions of Section 81(1A) and other applicable provisions if any, of the Companies Act, 1956, The consent of the Company be accorded to the Board of Directors to increase the issued and subscribed Share capital of the Company from Rs.5,00,00,000 divided in to 50,00,000 Equity shares of Rs.10/- each to Rs.10,00,00,000 divided into 1,00,00,000 Equity shares of Rs.10/- each by the issue and allotment of 50,00,000 Equity shares of Rs.10/- each for subscription for cash at a premium of Rs.2.50 or otherwise as the Board of Directors may think proper, to the existing Equity shareholders on right Basis in the ratio 1:1 i.e. ONE Rights Equity Shares for every ONE existing Equity Shares subject to the sanction of the Reserve Bank of India and any other authority as may be required and in the manner and on the terms and condition, set out hereunder

That 50,00,000 Equity Shares of Rs.10/- each shall be offered for cash, at a premium of Rs 2.50 per share payable in full on application, to the members of the Company including non-resident members or others as may be stipulated by concerned authority/ies.

- [1] That the aforesaid Equity Shares shall be offered in the first instance only to the existing Equity Shareholders of the company whose names stand in the Register of members of the Company on such date as may be fixed by the Board of Directors in that behalf, which shall be called "Record Date", in the proportion of ONE Equity shares for every ONE existing equity Shares held on such date.

1. That every shareholder shall be offered minimum of one Equity Share in the Company.
2. That the aforesaid Equity Shares shall, in all respects, rank pari-passu with the existing Equity Shares, save and except that they will be entitled to the dividend pro-rata from the date of allotment and on the amount paid up on the said Equity Shares.
3. That every Shareholder receiving such an offer shall be entitled to renounce in favour of irrevocably appointed renouncee/s, nominee/s, provided that such renouncee/s, nominee/s shall be approved by the Board of Directors, and also that such renouncee/s or nominee/s shall not be eligible to apply for additional shares.
4. That any Shareholder who has not renounced in full or in part any Equity Shares to which he may be entitled, will be entitled to apply for additional Equity Shares which have not been taken up by the other Shareholders.
5. That the offer, if not accepted or if the full amount is not paid within the time fixed by the Board of Directors or such extended time, as may be determined by them, from time to time, shall be deemed to have been declined by the shareholders.
6. That pursuant to the power of the Board of Directors under section 81(1) (d) of the Companies Act, 1956, the Equity Shares not taken up by the existing holders of shares will be disposed off by the Board of Directors in such manner as they may deem fit.
7. That application shall be made by the Company for listing the aforesaid shares at Stock Exchange at Mumbai.

"RESOLVED FURTHER THAT for the purpose of giving effect to all or any of the foregoing from time to time, the Board of Directors be and is hereby authorized to prescribe and finalise the Form of the letter/s of offer, Form/s of Application and renunciation and other documents in respect of issue of Equity Shares on Rights basis and to give such direction or instructions as it may from time to time think fit and proper and do all such acts, deeds, matters or things whatsoever, settling any question, doubt or difficulty that may arise with regards to or in relation to the offer, issue or allotment of Equity Shares or any other matter arising therefrom.

By order of the Board of Directors
For **JAYABHARAT CREDIT LIMITED**

BIPIN B. BHAVSAR
Executive Director &
Company Secretary

New Delhi, 30th June, 2008.

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

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ANNEXURE TO THE NOTICE

ITEM NO 5.

The Directors are of the opinion that in order to augment and mobilize the long terms finance for the Company's business activities it is desirable to raise further Equity Capital on Rights Basis.

Since the issue may involve offering these shares to other than members, the approval to such an issue by "Special Resolution" under Section 81 of the Companies Act, 1956 is considered desirable and hence this resolution.

The Directors of the Company may be considered interested in the resolution to the extent of the shares held and rights shares offered and subscribed by them.

The Directors recommend this resolution for approval.

By order of the Board of Directors
For **JAYABHARAT CREDIT LIMITED**

BIPIN B. BHAVSAR
Executive Director &
Company Secretary

New Delhi, 30th June, 2008.

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

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 Share Transfer Books of the Company will remain closed from 3rd September, 2008 to 10th September, 2008 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. The unclaimed dividend/s for the financial year 1999-2000 has been transferred to Investor Education & Protection Fund (Awareness and protection of the Investors) Rules, set up by the Central Government.

Accordingly unpaid/unclaimed dividend starting with 2000-2001 become transferable to the fund followed by the transfers of the amounts unpaid/unclaimed dividend every year. **No claims shall lie thereafter against the fund or the company in respect of such amounts transferred.** Shareholders are requested to verify their records and send claims, if any, for the years from 2001-2002 onwards, before the respective amounts become due for transfer to the fund.
8. Companies Shares are under compulsory demat form.

IMPORTANT

Shareholders are requested to directly send Share Transfer/ Demat request/ Communication etc. at the following Address:

SHAREPRO SERVICES (INDIA) PVT.LTD.

Satam Estate, 3rd Floor, above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai 400 099.
Tel : 6772 0345, 6772 0372 and 6772 0300 Fax : 2837 5646, Email : sharepro@shareproservices.com



JAYABHARAT CREDIT LIMITED

DIRECTORS' REPORT

To

Our Shareholders,

Your Directors have pleasure in presenting the 65th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2008.

	2007-08 (Rs. in Lacs)	2006-07 (Rs. in Lacs)
1. Asset Financing Business	3,314.00	3,053.00
2. Receivables	293.60	307.43
3. Income:		
(a) Asset Financing	1,009.49	873.99
(b) Recovery for NPA & Bad-Debts W/off	5.42	25.24
(c) Other Operational Income	98.66	173.03
(d) Other Income	123.02	13.20
4. Gross Profit before Depreciation & Income tax	232.06	222.13
5. Depreciation	28.07	87.90
6. Tax Provision	46.15	39.56
7. Profit After Depreciation and Income Tax	157.84	94.68
8. Proposed Dividend	40.00	40.00
9. Tax Provision on Dividend Amount	6.80	6.80

1. DIVIDEND :

Your Directors recommended to the members dividend of Rs.0.80 (Tax free) per share in respect of 50,00,000 Equity Shares of Rs.10/- each for the year ended 31st March, 2008.

2. RESERVES :

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

- Special Reserve Rs.32.00 lacs in terms of RBI (Amendment Ordinance, 1997 effective from 09th January, 1997) and
- General Reserve Rs.4.00 lacs, leaving a balance of Rs.75.04 lacs in Profit & Loss A/c.

3. RIGHTS ISSUE:

With a view of augmenting the resources of the Company, your Directors deem it desirable to raise further finance through 50,00,000 Equity Shares of Rs.10/- each for cash at premium of Rs 2.50 per Share by way of Rights Issue offer to the existing Shareholders on 1:1 basis.

4. 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 20.46%

M/s. CARE Limited has rated your Company BBB (FD) which denotes to offer moderate safety for timely servicing of debt obligations and carry moderate credit risk.

5. OPERATIONS :

The firming up of interest rates has helped the Company by checking the competition that is forced to increase their rates of lending to more realistic levels. However, the increasing cost of interest on the Company's borrowings has negated the advantage of better margins.

The Company has Deposits of Rs 4,704.42 lacs as on the date of this report, which is according to the revised requirements of RBI.

6. PROSPECTS FOR CURRENT YEAR :

The Company could reduce its interest burden after the proposed Rights Issue. Your Directors would continue to explore further avenues to reduce its cost of borrowings in the future to improve its profitability.

7. DIRECTORATE:

Mr. Sharad Sanghi retires by rotation and is eligible for reappointment as Director of the Company. The Board of Directors place on record the appreciation of the valuable services of the Director Shri Siddharth Gupta, who resigned on 28th August, 2007

8. DIRECTORS' RESPONSIBILITY STATEMENT:

As required by sub-section (2AA) of section 217 of the Companies Act, 1956, Directors state:

- That the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure.
- That the Directors have selected such accounting policies and applied them consistently and made

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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 the end of the financial year and of the profit or loss of the Company for that period.

- iii. That the Directors have taken proper and sufficient care of 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.
- iv. That the annual accounts have been prepared on a going concern basis.

9. DEPOSITS:

As at 31st March, 2008 Fixed Deposits and Cumulative Time Loan Receipts numbering 550 and totaling Rs.113.16 lacs maturing for payment remained unclaimed. Out of them 221 FDRs amounting to Rs.43.48 lacs have since been claimed and paid or renewed. The Company has intimated the Depositors about maturity of deposits. The Company has complied with the liquidity requirements as per directives of the Reserve Bank of India.

10. AUDITORS REPORT:

Regarding the qualifications by the Auditors, these are dealt with in Notes in Schedule 'R' being Notes forming part of the Accounts which may be taken as our explanation under Section 217(3) of the Companies Act, 1956.

11. AUDITORS:

M/s Sharp & Tannan, Chartered Accountants, Auditors of the Company retire at this Annual General Meeting and have intimated their eligibility of reappointment.

12. DEMATERIALISATION OF SHARES:

Company's Shares are in demat form since 30th August, 2001, Following are the details of the shares dematerialized on N S D L and C D S L Depositories.

13. PERSONNEL:

The Company has no personnel for providing particulars as required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975

14. CORPORATE GOVERNANCE:

As per clause 49 of listing Agreement of Bombay Stock Exchange. Company has followed the policy and the same is separately annexed hereto along with audited certificate thereon.

15. GENERAL:

Your Directors would like to record their appreciation of the services rendered by the members of the staff at all levels. They also like to express their gratefulness to the Company's bankers, Depositors and Shareholders, Automobile Dealers, Manufactures and Clients for their co-operation and also for the confidence reposed in the Company.

For and on behalf of the Board of Directors

For **JAYABHARAT CREDIT LIMITED**

RAJIV GUPTA
Chairman

New Delhi, 30th June, 2008.

Financial Year	No. of Shares		Total shares demated During the period	% age	Cumulative total	
	NSDL	CDSL			No. of Shares	%
2005-2006	9,634	569	10,203	0.20	41,86,909	83.74
2006-2007	1,66,347	2,78,754	4,45,101	9.31	46,32,010	92.64
2007-2008 Up to 30.05.2008	20,461	1,114	21,575	0.43	46,53,585	93.07



JAYABHARAT CREDIT LIMITED

AUDITORS' REPORT

We have audited the attached Balance Sheet of **Jayabharat Credit Limited** as at 31st March, 2008, the Profit and 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.

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.

In accordance with the provisions of Section 227 of the Companies Act 1956, we report that:

1. As required by the Companies (Auditor's Report) Order, 2003 and as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 ('the Order') issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
 - (a) 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;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956;
 - (e) on the basis of the written representations received from directors of the Company as at 31st March, 2008 and taken on record by the Board of Directors, we report that none of the director is disqualified as on 31st March, 2008 from being appointed as a director in terms of Section 274 (1)(g) of the Companies Act, 1956; and
 - (f) 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 in Schedule 'Q' and Notes on Accounts in Schedule 'R' appearing 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;

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2008;
- (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

SHARP & TANNAN
Chartered Accountants
by the hand of

MILIND P. PHADKE
Partner
Membership No. 33013

Mumbai, 30th June, 2008.

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ANNEXURE TO THE AUDITORS' REPORT

(Annexure referred to in paragraph 1 of the Auditors' report)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) The Company has not disposed off any substantial part of its fixed assets during the year so as to affect its going concern status.
2. The Company is a Non-Banking Finance Company and does not hold any inventories. Accordingly, reporting under Paragraphs 4 (ii) (a), (b) and (c) of the Order is not applicable.
3. (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, reporting under Paragraphs 4 (iii) (b), (c) and (d) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, reporting under Paragraphs 4 (iii) (f) and (g) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for services rendered. We have neither come across nor have been informed of any continuing failure to correct major weaknesses in the internal control system.
5. According to the information and explanations given to us, there are no contracts or arrangements that need to be entered in to the register maintained under Section 301 of Companies Act, 1956. Accordingly, reporting under Paragraph 4 (v) (b) of the Order is not applicable.
6. In our opinion, and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from public, where applicable. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
7. The Company is having an internal audit system commensurate with its size and nature of its business.
8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956.
9. (a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, income tax, sales tax, service tax, cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed provident fund, investor education and protection fund, income tax, sales tax, service tax, cess and other statutory dues outstanding as at 31st March, 2008 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, service tax,

and cess which have not been deposited with the appropriate authorities on account of any dispute except with respect to disputed sales tax dues under appeal at various stages, details of which are as under:

Particulars	Amount	Forum where dispute is pending
Delhi Sales Tax	Rs. 21,40,154/-	The Appellate Tribunal
10. The Company has no accumulated losses as at 31 st March, 2008 and it has not incurred cash losses in the financial year and also in the immediately preceding financial year.		
11. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks as at balance sheet date. The Company has not issued any debentures.		
12. Based on our examination of documents and records, we are of the opinion that the Company has maintained adequate records where the loans and advances are granted on the basis of security by way of pledge of shares, debentures and other securities.		
13. The provisions of any special statute applicable to chit fund/ nidhi /mutual benefit fund/societies are not applicable to the Company. Accordingly, reporting under Paragraph 4 (xiii) of the Order is not applicable.		
14. The Company is dealing and trading in shares, securities, debentures and other investments. The Company has maintained proper records of the transactions and contracts and timely entries have been made therein and the shares, securities, debentures and other securities have been held by the Company, in its own name.		
15. The Company has given a guarantee for housing loans taken by an employee from a financial institution, the terms and conditions whereof are not prejudicial to the interest of the Company.		
16. The Company has not raised any term loan during the year. Accordingly, reporting under Paragraph 4 (xvi) of the Order is not applicable.		
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that there are no funds raised on short-term basis which are used for long-term investments. No long-term funds have been used to finance short-term assets except permanent working capital.		
18. 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. The Company has not issued any debentures during the year. There were no outstanding debentures as of the year end. Accordingly, reporting under Paragraph 4 (xix) of the Order is not applicable.		
20. The Company has not raised any money by public issues during the year. Accordingly, reporting under Paragraph 4 (xx) of the Order is not applicable.		
21. During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to information and explanations given to us, we have neither come across any fraud on or by the Company noticed or reported during the year, nor have we been informed of any such case by the management.		

SHARP & TANNAN
Chartered Accountants

by the hand of
MILIND P. PHADKE
Partner
Membership No.33013

Mumbai, 30th June, 2008



JAYABHARAT CREDIT LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2008

	Schedule	Rupees	As at 31st March, 2008 Rupees	As at 31st March, 2007 Rupees
I SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Share Capital	'A'	5,00,00,000		5,00,00,000
Reserves and Surplus	'B'	12,74,49,070		11,63,45,250
			17,74,49,070	16,63,45,250
LOAN FUNDS:				
Secured Loans	'C'	25,34,01,816		16,20,13,397
Unsecured Loans	'D'	47,04,42,000		44,68,64,500
			72,38,43,816	60,88,77,897
Deferred tax liabilities				
Deferred tax liabilities		21,86,338		-
Less: Deferred tax assets		16,45,406		-
(refer note 11 of Schedule R)			5,40,932	-
Total			90,18,33,818	77,52,23,147
II APPLICATION OF FUNDS				
Fixed Assets	'E'			
Gross block of assets relating to				
leasing business		-		16,04,50,294
Less: Depreciation		-		13,45,06,123
Net block		-		2,59,44,171
Less: Lease terminal adjustment		-		1,43,42,629
Net block after lease terminal adjustment		-		1,16,01,542
Other than leasing business		5,58,05,723		6,03,73,503
Less: Depreciation		2,09,92,296		2,10,67,742
Net block		3,48,13,427		3,93,05,761
Add: Capital work-in-progress		81,000		4,32,864
			3,48,94,427	5,13,40,167
Investments	'F'		7,75,36,129	7,29,34,142
Deferred tax assets				
Deferred tax assets		-		17,66,024
Less: Deferred tax liabilities		-		7,91,298
(refer note 11 of Schedule R)			-	9,74,726
Current Assets, Loans and Advances				
Sundry Debtors	'G'	2,93,60,303		3,07,42,729
Cash and Bank Balances	'H'	58,36,442		90,87,171
Other Current Assets	'I'	26,26,947		43,84,929
Loans and Advances	'J'	93,99,55,870		76,61,27,603
		97,77,79,562		81,03,42,432
Less: Current Liabilities and Provisions				
Liabilities	'K'	15,89,36,457		13,42,28,284
Provisions	'L'	2,94,39,843		2,61,40,036
		18,83,76,300		16,03,68,320
Net Current Assets			78,94,03,262	64,99,74,112
Total			90,18,33,818	77,52,23,147
Significant Accounting Policies	'Q'			
Notes on Accounts	'R'			

As per our report attached

SHARP & TANNAN

Chartered Accountants

by the hand of

MILIND P. PHADKE

Partner

(Membership No.- 33013)

Mumbai, 30th June, 2008.

BIPIN B. BHAVSAR

Executive Director &

Company Secretary

New Delhi, 30th June, 2008.

For and on behalf of the Board

RAJIV GUPTA

Chairman

ARUN MITTER

Director

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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

	Schedule	Rupees	Year ended 31st March, 2008 Rupees	Year ended 31st March, 2007 Rupees
INCOME				
Income from asset financing			10,09,48,683	8,73,98,622
Recovery of N.P.A /bad debts written-off			5,42,111	25,24,481
Other operational income	'M'		98,66,299	1,73,03,330
Other income	'N'		1,23,02,304	13,20,011
Total Income			<u>12,36,59,397</u>	<u>10,85,46,444</u>
EXPENDITURE				
Payments to and provisions for employees	'O'		95,26,781	94,64,465
Other expenditure	'P'		1,48,72,881	1,33,21,747
Interest : Fixed deposits		4,76,50,590		4,73,47,595
: Others		<u>2,81,57,790</u>		<u>1,45,20,003</u>
			7,58,08,380	6,18,67,598
Depreciation			28,07,401	87,89,516
Amortisation of premium on foreign currency loans			-	7,89,099
Bad debts written-off			2,44,676	8,89,788
Total Expenditure			<u>10,32,60,119</u>	<u>9,51,22,213</u>
Profit before taxes			<u>2,03,99,278</u>	<u>1,34,24,231</u>
Provision for taxation				
Current tax			30,00,000	43,00,000
Deferred tax charge / (credit)			15,15,658	(4,43,818)
(refer note 11 of Schedule R)				
Fringe benefit tax			1,00,000	1,00,000
			<u>46,15,658</u>	<u>39,56,182</u>
Profit after taxes			<u>1,57,83,620</u>	<u>94,68,049</u>
Balance brought forward			2,41,81,066	1,94,96,675
Taxation adjustments of earlier years			-	20,46,142
AMOUNT AVAILABLE FOR APPROPRIATION			<u>3,99,64,686</u>	<u>3,10,10,866</u>
Appropriations:				
Transfer to Reserve u/s 45-IC of RBI Act, 1934			32,00,000	19,00,000
General Reserve			4,00,000	2,50,000
Proposed dividend			40,00,000	40,00,000
Tax on proposed dividend			6,79,800	6,79,800
Balance carried to Balance Sheet			3,16,84,886	2,41,81,066
Total			<u>3,99,64,686</u>	<u>3,10,10,866</u>
Earnings Per Share (Basic and Diluted)			3.16	1.89
Nominal value of shares			10.00	10.00
(refer note 10 of Schedule R)				
Significant Accounting Policies	'Q'			
Notes on Accounts	'R'			

As per our report attached

SHARP & TANNANChartered Accountants
by the hand of**MILIND P. PHADKE**

Partner

(Membership No.- 33013)

Mumbai, 30th June, 2008.

BIPIN B. BHAVSAR

Executive Director &

Company Secretary

New Delhi, 30th June, 2008.

For and on behalf of the Board

RAJIV GUPTA

Chairman

ARUN MITTER

Director