



JAYABHARAT CREDIT LIMITED



JAYABHARAT CREDIT LIMITED

**RELATIONSHIPS ARE NOT
BUILT OVERNIGHT.
FOR THAT MATTER
EVEN 56 YEARS SEEMS LESS.**



At Jayabharat, we believe that relationships are the heart of every transaction. And like a work of art, become more valuable over time.

Since inception in 1943, what has mattered most to us has been 'customer satisfaction' in the entire spectrum of financial services we provide—hire purchase, leasing, bill discounting, etc.

Naturally, success has been a constant

phenomenon. Our confidence growth graph has moved in just one direction - upwards! Our shareholders have been rewarded regularly with 29 years of uninterrupted dividends. And over 23,000 depositors repose their trust in us for good returns year after year.

As we grow, we further strengthen our old bonds and build new relationships. It's something that will remain for another 50 years.

■ Hire Purchase ■ Leasing ■ Bill Discounting ■ Ezeecar



JAYABHARAT CREDIT LIMITED

56th ANNUAL REPORT 1998-99

Registered Office :

French Bank Building, Homji Street, Fort, Mumbai 400 001

Phone : 266 4977 (5 Lines) Grams : JAYINCO, Telex : 11-83651 Fax : 022-2662710

BOARD OF DIRECTORS	:	SHRI VED PRAKASH GUPTA (CHAIRMAN) SHRI SHRENIK KASTURBHAI SHRI B. D. DESAI SHRI C. P. SHAH SHRI G. V. KAPADIA SHRI O. P. GUPTA SHRI RAJIV GUPTA SHRI SHARAD SANGHI
CHIEF EXECUTIVE OFFICER (Manager & Company Secretary)	:	SHRI BIPIN B. BHAVSAR
AUDITORS	:	SHARP & TANNAN Chartered Accountants
SOLICITORS	:	MULLA & MULLA & CRAIGIE BLUNT & CAROE MANILAL KHER AMBALAL & 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 560001
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 Sixth Annual General Meeting of the members of the Jayabharat Credit Limited will be held as scheduled below to transact the following business :

Date : 25th August, 1999
Day : Wednesday
Time : 12.00 noon
Place : M. C. Ghia Hall, 2nd Floor,
Bhogilal Hargovindas Building,
18/20 Kaikhushru Dubash Marg,
Mumbai 400 001.

AS ORDINARY BUSINESS :

1. To receive, consider and adopt the Company's Balance Sheet as at 31st March, 1999 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 1998-99.
3. To appoint Director in place of Mr. C.P. Shah who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Director in place of Mr. O.P. Gupta who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Director in place of Mr. B.D. Desai who retires by rotation, and being eligible, offers himself for re-appointment.
6. To appoint auditors and to fix their remuneration.

AS SPECIAL BUSINESS :

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

"Resolved that in pursuance of the provision under Section 387, 388, 269, 198, 309, 310, Schedule XIII and other applicable provisions of the Companies Act, 1956, the Company in general meeting hereby approves the terms of re-appointment and re-appoints Shri Bipin B. Bhavsar as "Manager" of the Company designated as Chief Executive Officer & Company Secretary for a period of five years commencing on 1st September, 1999 and ending on 31st August, 2004 subject to the remuneration and other terms as per the draft agreement duly initialled by the Chairman for the purpose of identification placed before the Meeting, which draft agreement be and is hereby approved."

By Order of the Board
For **JAYABHARAT CREDIT LIMITED**

BIPIN B. BHAVSAR
Chief Executive Officer
(Manager & Company Secretary)

Date : 26th May, 1999

Registered Office :
French Bank Building,
Homji Street, Fort,
Mumbai 400 001.

ANNEXURE TO THE NOTICE

Explanatory statement annexed to the notice of 56th Annual General Meeting of the Company as required by Section 173(2) of the Companies Act, 1956 in respect of Item No. 7.

Item No. 7 :

This Item relates to the approval of the Company in general meeting to the re-appointment of Shri Bipin B. Bhavsar as a Manager of the Company designated as Chief Executive Officer & Company Secretary for a period of five years from 1st September, 1999.

Shri Bipin B. Bhavsar has been appointed as "Manager" of the Company for a period of five years from 1st September, 1994 and his appointment/remuneration have been approved at 51st and 53rd Annual General Meeting of the Company held on 26th August, 1994 and 28th August, 1996 respectively. His present term expires on 31st August, 1999 and it is proposed to re-appoint him for a period of five years from 1st September, 1999 on revised remuneration as hereunder :

1. Salary : Rs. 35,000 to 85,000
per month subject to review by the Board of Directors from time to time.

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

Category 'A' :

- 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 Manager.
- Housing II : In case the accommodation is owned by the Company 10% of the salary of the Manager shall be deducted by the Company.
- Housing III : In case no accommodation is provided by the Company, the Manager 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 Manager.

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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.

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 'Manager'.

In the event of loss or inadequacy of profit in any Financial Year, the payment of salary and perquisites shall remain unchanged and in accordance with Schedule XIII.

None of the Directors of the Company is concerned or interested in this Resolution.

As per the provisions of Section 302 of the Companies Act, 1956 the terms of appointment and remuneration to Shri Bipin B. Bhavsar as 'Manager' of the Company may also be treated as an Extract and Memorandum of Interest thereunder.

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 Wednesday, 18th August, 1999 to Wednesday, 25th August, 1999 (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.

IMPORTANT

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



JAYABHARAT CREDIT LIMITED

DIRECTORS' REPORT

To

OUR SHAREHOLDERS,

Your Directors have pleasure in presenting the 56th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 1999.

	1998-99 (Rs. in Lacs)	1997-98 (Rs. in Lacs)
1. Investment In :		
(a) Hire Purchase Business	545	713
(b) Leasing	895	397
(c) Bill Discounting	222	384
2. Receivables Against :		
(a) Hire Purchase & Leasing	1591	2442
(b) Bill Discounting	88	171
3. Income :		
(a) Hire Purchase Charges	469	624
(b) Lease Rentals	670	817
(c) Bill Discounting Charges (Net)	16	19
(d) Other Income	224	172
4. Gross Profit before Depreciation & Income Tax	601	670
5. Depreciation	503	493
6. Tax Provision	11	22
7. Tax Provision on Dividend Amount	8	8
8. Profit After Depreciation and Income Tax	87	155
9. Proposed Dividend	75	75

1. DIVIDEND :

Your Directors recommend to the members dividend of Rs. 1.50 per share in respect of 50,00,000 Equity Shares of Rs. 10/- each for the year ended 31st March, 1999 without deduction of income tax as per the Provisions of the Finance Act, 1997.

2. RESERVES :

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

- Special Reserve Rs. 17.50 lacs in terms of RBI (Amendment Ordinance, 1997 effective from 09/01/97) and
- General Reserve Rs. 5 lacs, leaving a balance of Rs. 24.45 lacs in Profit & Loss A/c.

3. RBI'S GUIDELINES TO NON-BANKING FINANCE COMPANIES (NBFCs) ON PRUDENTIAL NORMS, CREDIT RATING & Y2K COMPLIANCE :

Your Directors are pleased to inform that your Company has been now registered at Sr. No. 13.01132 by RBI as Non Banking Finance Company. Your Directors are happy to inform that the Company has followed and complied with RBI guidelines and as against minimum requirement of 12.00%, the Company's Capital Adequacy Ratio is 37.60%.

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

Your Directors are pleased to inform that your Company is Y2K compliant with regard to software and hardware support.

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4. OPERATIONS :

During the year under review, inspite of the continuous depressed market condition as well as recessionary trend in Indian Economy, the Company had a satisfactory performance.

The Company's operational profit is Rs. 79.69 lacs. Keeping in view the market condition, the Company has adopted and followed a conservative policy for its investment in business activities and consolidated its efforts more on recoveries.

The Company has Deposits of Rs. 2481 lacs as on the date of this report, which is according to the revised requirement of RBI.

5. PROSPECTS FOR CURRENT YEAR :

The recession in the Automobile industries had affected the working of the Company to some extent, since your Company's predominant activities are Hire Purchase and Lease Finance for Commercial Vehicles and Passenger Cars. However, the Company's long and deep experience in the finance field of Auto Industries have contributed for the maintenance of the performance at satisfactory level. However, the Company contemplates to enter into other profitable avenues. Your Directors expect satisfactory performance in the current year.

6. DIRECTORATE :

Messrs C.P. Shah, O.P. Gupta, and B.D. Desai retire by rotation and are eligible for re-appointment as Directors of the Company.

7. DEPOSITS :

As at 31st March, 1999 Fixed Deposits and Cumulative Time Loan Receipts numbering 542 and totalling Rs. 61.58 lacs maturing for payment remained unclaimed. Out of them 119 FDRs amounting to Rs. 13.96 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.

8. AUDITORS' REPORT :

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

9. AUDITORS :

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

10. PERSONNEL :

Particulars as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 is given in the Annexure, forming part of this report.

11. 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, Shareholders, Automobile Dealers, Manufacturers 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

VED PRAKASH GUPTA
Chairman

Mumbai, 26th May, 1999

ANNEXURE TO THE DIRECTORS' REPORT

Sr. No.	Name	Designation	Gross Remuneration (Rupees)	Qualification	Age	Experience (in years)	Date of Commencement of employment	Particulars of last employment
EMPLOYED THROUGHOUT THE YEAR :								
1.	Mr. Bipin B. Bhavsar	'Manager' designated as Chief Executive Officer & Company Secretary	7,09,090	M.Com. LL.B (SPL) F.C.S.	49	27	21/1/1989	Vice President & Company Secretary Enrai Finance Limited