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JAYABHARAT CREDIT LIMITED



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JAYABHARAT CREDIT LIMITED

The Name That Inspires Confidence.

63rd Annual Report 2005 - 2006

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. SHRAVAN GUPTA SHRI. SIDHARTH GUPTA 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. BANATWALA & CO.
BANKERS	: BANK OF BARODA BANK OF INDIA CENTRAL BANK OF INDIA
BRANCH OFFICES	
Delhi	: 17B, Asaf Ali Road, New Delhi 110 002.
Kolkata	: Chitrakoot Building, 5 th Floor, 230A, Acharya Jagdishchandra Bose Road, Kolkata 700 020.
Bangalore	: 305, Raheja Chambers, 12, Museum Road, Bangalore 560 001.
Ahmedabad	: 6, Blue Star Complex, Opp.Gujrat High Court, Near Railways Crossing, Off Ashram Road, Ahmedabad 380 009.
Indore	: Chetak Chambers, R N T Marg, Indore 452 001.



JAYABHARAT CREDIT LIMITED

Notice

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

Date 05th September, 2006
Day Tuesday
Time 11.30 A.M.
Place M.C.Ghia Hall, 2nd floor, Bhogilal Hargovindas Building, 18/20 Kaikhushru Dubhash Marg, Mumbai 400 001

manner and on payment of the fees, if any, specified in the Act between 11.00 A.M. and to 1.00 P.M. on any working day (excluding Saturday) and except when the registers and books are closed under the provisions of the Act or the Articles of Association of the Company."

By order of the Board

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

Mumbai, 29th June, 2006

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Company's Balance Sheet as at 31st March, 2006 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 2005-2006.
3. To appoint Director in place of Mr. Sharad Sanghi, who retires by rotation, and being eligible, offers himself for reappointment.
4. To appoint Director in place of Mr. Shravan Gupta, who retires by rotation, and being eligible, offers himself for reappointment.
5. To appoint Director in place of Mr. Sidharth Gupta, who retires by rotation, and being eligible, offers himself for reappointment.
6. To appoint auditors and fix their remuneration.

Registered Office:

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

AS SPECIAL BUSINESS

7. To consider and, if thought fit to pass with or without modification (s) the following as a special Resolution :

"RESOLVED THAT pursuant to Section 163 of the Companies Act, 1956, (hereinafter called "the Act"), the Company hereby approves that the Register of Members, Members Indices, copies of all Annual Returns prepared by the Company under Section 159 of the Act together with copies of Certificates and Documents required to be annexed thereto under Section 161 of the Act or any one or more of them shall, with effect from 14th February, 2006 be kept at the offices of Sharepro Services (India) Private Limited, The Registrar and Share Transfer Agent, at Satam Industrial Estate, Cardinal Gracious Road, above Bank of Baroda, Chakala, Andheri(E), Mumbai 400 099 and /or at Samhita Warehousing Complex, Gala Nos. 52 to 56, Plot No. 13AB, Sakinaka, Mumbai 400 072, instead of keeping them at the Registered Office of the Company.

"RESOLVED FURTHER That the Registers, Indexes, Returns, Books, Certificates and Documents of the Company required to be maintained and be kept open for inspection by the members and /or any persons entitled thereto under the Act, be kept open for such inspection, at the place where they are kept, to the extent, in the

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Annexure to the Notice

Explanatory statement annexed to the Notice of 63rd 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 : Special Resolution

As you are aware, the registered office of the Company is situated at Andheri (East) in Mumbai. But, the registered office of Tata Share Registry Limited is situated near Kala Ghoda in Mumbai causing administrative inconvenience in handling related matters.

For administrative convenience, the Company has appointed with effect from 14th February, 2006 SHAREPRO SERVICES [INDIA] PRIVATE LIMITED as its Registrar and Transfer Agent in place of Tata Share Registry Limited. The new Agent command considerable experience in the field and are located in the nearby vicinity.

In the background of this appointment, it is now proposed that the registers of members, indices of members, copies of annual returns together with the copies of the certificates and documents requiring to be annexed thereto be kept at the office of Sharepro Services (India) Pvt. Ltd., the Registrars and Share Transfer Agents, at Satam Estate, Cardinal Gracious Road, above Bank of Baroda, Chakala, Andheri (East), Mumbai - 400 099 and/or at Samhita Warehousing Complex, Gala Nos. 52 to 56, Plot No.13AB, Sakinaka, Mumbai 400 072. The approval of shareholders by special resolution is sought to the proposed arrangement under Section 163 of the Companies Act, 1956.

The special resolution also specifies the time of inspection of the books and documents of the Company by its members and others, namely, between the hours 11.00 a.m. and 1.00 p.m. on any working day excluding Saturday and except when the registers and the books are closed under the provisions of the Act or Articles of Association of the Company.

The Directors of the Company may be considered to be concerned or interested in the resolution to the extent of the shares, if any, held by them respectively.

By order of the Board

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

Mumbai, 29th June, 2006

Registered Office:

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

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IN 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 29th August, 2006 to 05th September, 2006 (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 1997-98 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 1998-99 shall become transferable to the fund after 25th August, 2006 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 relevant years from 1998-99 onwards, before the respective amounts become due for transfer to the fund.

8. Companies Shares are under compulsory demat form.

IMPORTANT

Sharepro Services India Pvt. Ltd has been appointed as Registrar and Share Transfer Agent : 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: 2821 5168, 2832 9828, and 2821 5991 • Fax: 2837 5646, email:sharepro@vsnl.com



JAYABHARAT CREDIT LIMITED

Directors' Report

To

Our Shareholders,

Your Directors have pleasure in presenting the 63rd Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2006.

	2005-2006 (Rs. in Lacs)	2004-2005 (Rs. in Lacs)
1. Investment In:	2,515.00	2,505.00
(a) Hire Purchase Business		
2. Receivables Against:		
(a) Hire Purchase & Leasing	408.17	372.45
3. Income:		
(a) Hire Purchase Charges	874.91	778.24
(b) Lease Rentals	0.26	85.41
(c) Recovery of NPA & Bad-Debts W/off	39.47	Nil
(d) Other Operational Income	77.36	73.77
(e) Other Income	19.32	2.53
4. Gross Profit before Depreciation & Income tax	222.12	214.31
5. Depreciation	101.38	112.39
6. Tax Provision	44.49	38.89
7. Profit After Depreciation and Income Tax	76.25	63.03
8. Proposed Dividend	40.00	40.00
9. Tax Provision on Dividend Amount	5.61	5.61

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, 2006.

2. RESERVES :

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

- Special Reserve Rs.15.50 Lacs in terms of RBI (Amendment Ordinance, 1997 effective from 09/01/97) and
- General Reserve Rs.2.00 lacs, leaving a balance of Rs.34.08 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 23.73%

M/s. CARE Limited has rated your Company BBB + (FD) which denotes adequate safety i.e. timely servicing of interest and principal.

4. OPERATIONS :

The Company continues to face stiff competition in the finance market from private / foreign banks and financial

institutions who have been aggressively marketing their finance at cheaper rate. The Company's core competence of building relationships with its costumer over generation has ensured that the Company continue to get good business for Hire Purchase Finance.

The Company has Deposits of Rs. 4,419.88 lacs as on the date of this report, which is according to the revised requirement of RBI.

5. PROSPECTS FOR CURRENT YEAR

Your Company's efforts towards lowering the cost of borrowing by availing FCNR(B) facility from its bankers and Securitisation of its Hire Purchase portfolio has yielded some result. Your Directors would be continue exploring further avenues to reduce its cost of borrowings in the future to improve its profitability.

6. DIRECTORATE:

Mr. Sharad Sanghi, Mr. Shravan Gupta and Mr. Sidharth Gupta retire by rotation and are eligible for reappointment as Directors of the Company.

Mr. Bipin B. Bhavsar holds office up to 31st January, 2006. The Board in its meeting held on 28th June, 2005 reappointed Mr. Bipin B Bhavsar as Executive Director and Company Secretary for the further term of 5 years w.e.f. 01st February, 2006 to 31st January, 2010 and also for the payment of remuneration in the existing range under Schedule XIII of the Companies Act, 1956 and the same was approved in the last 62nd AGM of the members of the Company held on 06th September, 2005.

7. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- i. That the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure.
- ii. That the Directors have selected such accounting policies 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 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.

8. DEPOSITS:

As at 31st March, 2006 Fixed Deposits and Cumulative Time Loan Receipts numbering 523 and totaling Rs.85.53 lacs maturing for payment remained unclaimed. Out of them 298 FDRs amounting to Rs. 34.52 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.

9. AUDITORS REPORT:

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

10. AUDITORS:

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

11. 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.

12. 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.

13. CORPORATE GOVERNANCE

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

14. 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

MUMBAI, 29th June, 2006

Financial Year	No. of Shares		Total shares demated During the period	%	Cumulative total	
	NSDL	CDSL			No. of Shares	%
2003-2004	7,03,756	34,195	7,37,951	14.76	39,08,339	78.17
2004-2005	89,222	1,79,145	2,68,367	5.37	41,76,706	83.53
2005-2006	9,634	569	10,203	0.20	41,86,909	83.74
Upto 1st August, 2006	4,57,894	846	4,58,740	9.17	46,45,649	92.91



JAYABHARAT CREDIT LIMITED

AUDITOR'S REPORT

To The Members of Jayabharat Credit Limited

We have audited the attached Balance Sheet of **Jayabharat Credit Limited** as at 31st March, 2006, 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 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, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- (d) in our opinion, the Profit and Loss Account, the Balance Sheet and 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, 2006 and taken on record by the Board of Directors, we report that none of the director is disqualified as on 31st March, 2006 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 – 'R' and Notes on Accounts in Schedule – 'Q' 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, 2006;
 - (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.

For SHARP & TANNAN
Chartered Accountants

by the hand of
MILIND P. PHADKE
Partner

Mumbai, 29th June, 2006

(Membership No.33013)

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ANNEXURE TO THE AUDITORS' REPORT

(Annexure referred to in Paragraph 3 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 other than fixed assets relating to the leasing business, where the company has a programme of physically verifying the said assets at least once in two years, which according to us is reasonable.
- (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 paragraph 4 (ii) (a), (b) and (c) of the Order is not applicable.
3. According to the information and explanations given to us, Company has neither granted nor taken 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 paragraph 4 (iii) (b), (c), (d), (f) and (g) of the Order is not applicable.
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 internal control system.
5. According to the information and explanations given to us, we are of the opinion that 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 (iii) (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 the size of the Company and the 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 generally 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 as applicable with the appropriate authorities.
- (b) According to the information and explanations given to us, there are no arrears of outstanding statutory dues as at the last day of the financial year for a period exceeding six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, service tax and cess that have not been deposited with the

appropriate authorities on account of any dispute. The Company has disputed sales tax dues aggregating to Rs. 21,40,154 are under appeal at various stages, details of which are:

Particulars	Amount Rs.	Forum where dispute is pending
Delhi Sales Tax	21,40,154	The Appellate Tribunal

10. The Company has no accumulated losses as at 31st March, 2006 and it has not incurred cash loss in the financial year and also in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The Company did not have any outstanding debentures or any outstanding loans from any financial institution during the year.
12. Based on our examination of documents and records, we are of the opinion that the company has maintained adequate records where the company has granted loans and advances on the basis of security by way of pledge of shares, debenture 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 guarantee for housing loans taken by employees from financial institutions, 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.
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 any 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.
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 such case by management.

For SHARP & TANNAN
Chartered Accountants

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

Mumbai, 29th June, 2006



JAYABHARAT CREDIT LIMITED

Balance Sheet as at 31st March, 2006

	Schedule	Rupees	As at 31st March, 2006 Rupees	As at 31st March, 2005 Rupees
I SOURCES OF FUND :				
SHAREHOLDERS' FUNDS:				
Capital	'A'	5,00,00,000		5,00,00,000
Reserves & Surplus	'B'	10,95,10,859		10,43,52,604
			15,95,10,859	15,43,52,604
LOAN FUNDS:				
Secured Loans	'C'	9,79,53,844		10,23,39,410
Unsecured Loans	'D'	41,95,01,000		40,99,75,500
			51,74,54,844	51,23,14,910
TOTAL:			67,69,65,703	66,66,67,514
II APPLICATION OF FUNDS :				
FIXED ASSETS:				
Gross Block of Assets Relating to:	'E'			
Leasing Business		16,04,50,294		21,38,75,874
Less: Depreciation		12,87,05,349		15,84,93,273
Net Block		3,17,44,945		5,53,82,601
Less: Lease Terminal Adjustment		1,43,42,629		3,00,82,454
Net Block After Lease Terminal Adjustment		1,74,02,316		2,53,00,147
Other than Leasing Business		5,97,32,251		5,65,93,051
Less: Depreciation		1,88,14,435		1,58,38,582
Net Block		4,09,17,816		4,07,54,469
			5,83,20,132	6,60,54,616
INVESTMENTS	'F'		7,21,55,060	7,45,46,298
Deferred Tax Asset (Refer Note No.7, Schedule Q)			5,30,908	13,16,493
CURRENT ASSETS, LOANS & ADVANCES				
Sundry Debtors	'G'	4,08,17,365		3,72,44,695
Cash & Bank Balances	'H'	4,70,48,922		58,02,376
Other Current Assets	'I'	19,86,176		21,42,581
Loans & Advances	'J'	66,17,90,289		63,85,13,455
		75,16,42,752		68,37,03,107
Less: CURRENT LIABILITIES AND PROVISIONS				
Liabilities	'K'	18,24,76,958		13,67,94,468
Provisions	'L'	2,32,06,191		2,21,58,532
		20,56,83,149		15,89,53,000
NET CURRENT ASSETS			54,59,59,603	52,47,50,107
TOTAL:			67,69,65,703	66,66,67,514
NOTES FORMING PART OF THE ACCOUNTS				
SIGNIFICANT ACCOUNTING POLICIES	'Q'			
	'R'			

As per our report attached

SHARP & TANNAN

Chartered Accountants

By the hand of

MILIND P. PHADKE

Partner

(Membership No.- 33013)

Mumbai, 29th June, 2006

BIPIN B. BHAVSAR

Executive Director &

Company Secretary

For and on behalf of the Board

RAJIV GUPTA

Chairman

SIDHARTH GUPTA**ARUN MITTER**

Directors

Mumbai, 29th June, 2006

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Profit & Loss Account for the Year ended 31st March, 2006

	Schedule	Rupees	Year ended 31st March, 2006 Rupees	Year ended 31st March, 2005 Rupees
INCOME :				
Hire Purchase Charges			8,74,90,624	7,78,24,049
Lease Rentals*			25,890	85,41,325
Recovery of N.P.A. & Bad-Debts W/Off			39,47,355	—
Other Operational Income	'M'		77,35,990	71,91,593
Other Income	'N'		19,32,334	4,38,420
Total Income			10,11,32,193	9,39,95,387
EXPENDITURE :				
Payments to & Provisions for Employees	'O'		89,98,899	91,57,245
Other Expenditure	'P'		1,21,17,270	1,21,09,865
Interest : Fixed Deposits		4,68,75,316		3,97,52,159
: Others		1,01,94,368		89,86,850
			5,70,69,684	4,87,39,009
Depreciation			1,01,37,513	1,12,39,545
Premium on FCL			6,52,492	74,409
Bad-Debts W/Off & Charge For N.P.A.			82,383	24,83,702
Total Expenditure			8,90,58,241	8,38,03,775
Profit Before Tax			1,20,73,952	1,01,91,612
Provision for Taxes :				
Current Tax			35,63,000	15,18,599
Deferred Tax (Credit) / Charge			7,85,585	23,69,929
Fringe Benefits Tax			1,00,000	—
			44,48,585	38,88,528
PROFIT FOR THE YEAR			76,25,367	63,03,084
Balance of Profit Brought Forward			1,60,88,420	1,58,06,336
Add / (Less): Taxation Adjustments in Respect of Earlier Years			20,93,888	—
BALANCE OF PROFIT AVAILABLE FOR APPROPRIATION			2,58,07,675	2,21,09,420
APPROPRIATIONS :				
Transfer to Reserve U/S 45 IC of RBI Act, 1934			15,50,000	13,00,000
General Reserve			2,00,000	1,60,000
Proposed Dividend			40,00,000	40,00,000
Tax on Proposed Dividend			5,61,000	5,61,000
Balance of Profit Carried to Balance Sheet			1,94,96,675	1,60,88,420
TOTAL			2,58,07,675	2,21,09,420
NOTES FORMING PART OF THE ACCOUNTS				
SIGNIFICANT ACCOUNTING POLICIES	'Q'			
Basic/Diluted Earning Per Share (Refer Schedule "Q" Note No.9)			1.53	1.26
* Net of Lease Equalisation Charges				

As per our report attached

SHARP & TANNAN

Chartered Accountants

By the hand of

MILIND P. PHADKE

Partner

(Membership No.- 33013)

Mumbai, 29th June, 2006

BIPIN B. BHAVSAR

Executive Director &

Company Secretary

For and on behalf of the Board

RAJIV GUPTA

Chairman

SIDHARTH GUPTA**ARUN MITTER**

Directors

Mumbai, 29th June, 2006