



JHAVERI CREDITS & CAPITAL LIMITED

14th Annual Report 2007-08

Certified to be
TRUE COPY

Handwritten signature

SC TRIVEDI

Chartered Accountant

Mem No. 030457

JHAVERI
LEARN & EARN



14th ANNUAL REPORT (2007-08)

BOARD OF DIRECTORS : Mr. Jitendra B. Jhaveri - Chairman
Mr. Rajesh J. Jhaveri - Managing Director
Mr. Kamlesh J. Jhaveri - Whole-time Director
Mr. Bhadresh J. Jhaveri - Director
Mr. Kantilal N. Patel - Director
Mr. Ashesh Trivedi - Director

AUDITORS : S.C. Trivedi
Chartered Accountants,
A-18, Vrundavan Township,
Harni Road,
Vadodara-390 006.

REGISTERED OFFICE : 301, Payal Towers,
Sayajigunj,
Vadodara-390 005.

JHAVERI CREDITS & CAPITAL LIMITED



NOTICE FOR 14th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 14th Annual General Meeting of the Members of the Company will be held on Monday, the 30th day of June, 2008 at 11.00 a.m. at 301, PAYAL TOWERS II, SAYAJIGUNJ, VADODARA-390 005 to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet and the Profit & Loss Account for the year ended 31st March, 2008 along with Auditors' and Directors' Report thereon.
2. To appoint a Director in place of Mr. Jitendra B Jhaveri, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Bhadresh J Jhaveri, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint the Auditors and to fix their remuneration.

Regd. Office:
301, Payal Towers,
Sayajigunj,
Baroda-390 005

By order of the Board,
For JHAVERI CREDITS & CAPITAL LTD.
Sd/-
RAJESH J JHAVERI
MANAGING DIRECTOR

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 THAT A PROXY NEED NOT BE A MEMBER.
2. The Register of Members and the Share Transfer Books will remain closed from Tuesday, the 24th June 2008 to Monday, the 30th June 2008 (both days inclusive).
3. Members are requested to bring their copies of the Annual Report and Admission Slip to the meeting. Annual Reports will not be distributed at the venue of the meeting.



DIRECTORS' REPORT

To,
The Members
Jhaveri Credits and Capital Ltd

The Directors of your Company present to you the 14th Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2008.

FINANCIAL RESULTS

(Rs. in lacs)

Particulars	Year ended 31.03.2008	Year ended 31.03.2007
Operational Income	190.08	99.24
Total Expenditure	161.54	82.20
Operating Profit	28.54	17.04
Interest & Finance Charges	1.80	0.32
Gross Profit/ (Loss) for the year	26.74	16.72
Depreciation	4.38	2.06
Profit / (Loss) for the year	22.36	14.66
Less: Provision for Taxation	7.55	4.00
Profit after Tax	14.81	10.66
Transfer to Special General Reserve (u/s 45-IC)	2.96	2.13
Less: previous Year's Tax	0.00	(0.053)
Add : Surplus b/f from previous year	8.58	(0.59)
Balance carried forward to Balance Sheet	11.85	8.58

DIVIDEND

The Directors do not recommend any dividend in view of retention of funds in business for future requirements.

REVIEW OF OPERATIONS

The income for the year under review has increased substantially to Rs.190.08 lacs from Rs. 99.24 lacs in year 2007-08. The Company has earned profit of Rs.22.36 lacs as against a profit of Rs.14.66 lacs in the previous year. The performance of the Company has been improved in the area of Commodities Broking during the year on NCDEX and MCX Exchanges. The company is exploring the developmental activities at large scale by deploying Dealers, Franchises, and Terminals etc. Your Company is also focusing on non-fund based activities to improve its financial performance in the coming years.

FIXED DEPOSITS

The Company is not accepting public deposits. The amount of unclaimed deposits as on 31st March, 2008 was NIL.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures; if any.
- 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 of the Company for the year ending on 31st March, 2008.

- iii) the Directors have taken proper care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the annual accounts on a going concern basis.

DIRECTORS

In pursuance of the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri Jitendra B. Jhaвери and Shri Bhadresh J Jhaвери, directors retire by rotation and being eligible, offer themselves for re-appointment.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Stock Exchange Listing Agreement, a report on Corporate Governance and Management Discussion and Analysis is given in the Annexure-A forming part of the Report.

Auditor's Certificate regarding compliance of conditions of Corporate Governance is given in the Annexure-B.

AUDITORS

The Board proposes to appoint M/s. Mukund & Rohit, Chartered Accountants, Vadodara as Statutory Auditors of the Company for the year 2008-09 in place of Shri S.C.Trivedi, Chartered Accountants, Vadodara, who has shown his unwillingness to continue as Auditors of the Company for the year 2008-09. The appointment of M/s Mukund & Rohit, Chartered Accountants, Vadodara, if made, will be until the conclusion of the next Annual General Meeting. The Board recommends their appointment.

SUBSIDIARY COMPANY

The Audited Accounts of Maulik Kruti Resources Limited, and Jhaвери High-tech Agro Limited, subsidiary companies for the year ended 31-03-2008 together with the Directors report are attached to the Accounts pursuant to the provisions of Section 212 of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under the provisions of Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is not applicable to the Company.

PARTICULARS OF EMPLOYEES

The Company has no employees whose particulars are to be disclosed in terms of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

APPRECIATION

Your Directors would like to place on record their appreciation and thanks to the Banks, Company's customers, suppliers, investors and employees for their valuable support and co-operation.

For and on behalf of the Board
Sd/-

Vadodara
07TH May, 2008

Rajesh J Jhaвери
Managing Director



Annexure – “A” to the Director’s Report for the year ended 31st March, 2008

I. Report on Corporate Governance

1. Corporate Governance Philosophy

The Company's philosophy on Corporate Governance envisages commitment to ensure customer satisfaction through better services and satisfaction of grievances, if any, of all its share holders consistent with all the stakeholders and with due concern for social responsibility.

2. Board of Directors

(I) Composition, Category of Directors and their other Directorships and Membership/ Chairmanship of Committees

Sr. No.	Name of the Director	Category	Number of other		
			Directorships	Committee Memberships	Committee Chairmanships
1	Shri Jitendra B. Jhaveri	Chairman	4	2	1
2	Shri Rajesh Jhaveri	Managing Director	5	1	-
3	Shri Kamlesh Jhaveri	Whole Time Director	5	-	-
4	Shri Bhadresh Jhaveri	Non- Executive Director	5	1	-
5.	Shri Kantilal N. Patel	Independent Director	3	2	-
6.	Shri Ashesh Trivedi	Independent Director	1	2	1

(ii) Board Meetings held and attendance of Directors

During the year under review, Twelve (12) Board Meetings were held. The 13th Annual General Meeting was held on 29th September, 2007. The attendance of each Director at these meetings was as follows:

Sr.No.	Name of the Director	No. of Board Meetings attended	Attendance at the AGM held on 29.09.2007
1	Shri Jitendra B. Jhaveri	5	Yes
2	Shri Rajesh Jhaveri	5	Yes
3	Shri Kamlesh Jhaveri	5	Yes
4	Shri Bhadresh Jhaveri	5	Yes
5	Shri Kantilal N. Patel	2	No
6	Shri Ashesh Trivedi	3	Yes



3. Audit Committee

The Board has constituted an Audit Committee in its meeting held on 31-01-2001 consisting of 3 Directors. The Audit Committee was then re-constituted on 31-07-2002. Details of Audit Committee meetings held during the year April 2007 to March 2008 and the attendance of the Audit Committee Members are as under:

Sr. No.	Name	Category	No. of Meetings	
			Held	Attended
1	Shri Ashesh Trivedi	Independent Non Executive Director Chairman of Audit Committee	5	5
2	Shri Kantilal N. Patel	Independent Non Executive Director	5	0
3	Shri Jitendra B. Jhaveri	Non Executive Director	5	5

The terms of reference as laid down by the Board are in line with the requirements specified in the Companies Act, 1956 and Clause 49 of the Listing Agreement. These inter alia include review of annual financial statement, adequacy of internal control systems and internal audit function.

4. Remuneration of Directors

Details of Remuneration paid to the Directors for the year ended 31st March, 2008

Amt. (Rs.)

Sr.No.	Name of the Director	Sitting Fees (including Committee Meetings)	Gross Remuneration*	Contribution to Provident and Superannuation funds
1	Shri Jitendra B. Jhaveri	4,000	—	—
2	Shri Rajesh Jhaveri	—	7,20,000	—
3	Shri Kamlesh Jhaveri	—	—	—
4	Shri Bhadresh Jhaveri	4,000	—	—
5	Shri Kantilal N. Patel	—	—	—
6	Shri Ashesh Trivedi	4,000	—	—

* Gross remuneration includes salary, bonus, allowances and perquisites.

5. Share Transfer /Shareholders' Grievance Committee

A Share Transfer Committee was constituted in January, 2001 consisting of Directors and Executives of the Company to take care of matters relating to share transfers, transmission, issue of duplicate/consolidated/split share certificates etc. The Committee meets regularly to approve share transfers. As on date the Committee comprises of three Directors. This Committee also looks into the grievances, complaints and other issues concerning the shareholders / investors.

All transfers received have been processed in time with no pending share transfers. There are no unresolved shareholders' complaints pending.



6. General Body Meetings

The Annual General Meetings (AGMs) of the Company have been held at the following places in the last three years:

Year	Date	Time	Venue
2004-05	30.09.2005	10.00 A.M	136-137, Paradise Complex, Sayajigunj, Vadodara- 5
2005-06	30.09.2006	10.00 A.M.	136-137, Paradise Complex, Sayajigunj, Vadodara- 5
2006-07	29.09.2007	10.00 A.M.	301-302, Payal Towers-II, Sayajigunj, Vadodara-5

7. Disclosures

- There are no materially significant transactions with related party i.e. transactions of the Company of material nature with its Promoters, the Directors or the management, their subsidiaries or relatives etc. which may have potential conflict with the interests of the Company at large.

Related party transactions are disclosed as per Note No.15 of Schedule-16 which in the opinion of Management may not have potential conflict with the interests of the Company at large.

- No penalties, strictures have been imposed on the Company by the Stock Exchange, SEBI or any statutory authority, on any matter related to capital market during the last three years.

8. Means of Communication

- The quarterly unaudited financial results are published in Indian Express and Financial Express in English and Gujarati language, respectively.
- The Management Discussion and Analysis Report prepared by the management and forming part of the Annual Report is separately attached.

9. General Shareholder Information

(I) Annual General Meeting

Monday, the 30th day of June, 2008 at 11.00 A.M. at Payal Towers-II, Sayajigunj, Vadodara-390005

(II) Financial Calendar (tentative)

Financial reporting for the quarter ending June 30, 2008	End July, 2008
Financial reporting for the quarter ending Sept.30, 2008	End October, 2008
Financial reporting for the quarter ending Dec. 31, 2008	End January, 2009
Financial reporting for the quarter ending March,31 2009	End June, 2009

(III) Date of Book Closure :

Tuesday, 24th day of June, 2008 to Monday, 30th day of June, 2008 (both days inclusive).



(iv) **Dividend payment date :** Not applicable

(v) **Listing on Stock Exchanges**

Bombay Stock Exchange Ltd, (BSE) (Stock Code – 531550)

The Company has paid Listing Fees for the year April, 2008 to March, 2009 to the Stock Exchange.

(vi) **Market Price Data**

Date	High (Rs.)	Low (Rs.)
June 2007	4.00	4.00
July 2007	4.00	3.95
August 2007	4.20	4.20
September 2007	4.41	4.41
October 2007	4.20	4.00
November 2007	4.86	4.20
December 2007	9.54	5.10
January 2008	14.03	10.01
February 2008	11.94	5.65
March 2008	5.37	3.13

(vii) **Share Transfer System**

The Company has appointed M/s. Sharepro Services, Mumbai as its Registrar and Share Transfer Agent. The Company has a Share Transfer Committee comprising of three Directors. The Share Transfer Committee meets at regular intervals depending upon the receipt of share transfers in a manner that the certificates are sent within a month of the lodgement of transfer. Demat requests are normally confirmed within an average of 15 days from the date of receipt.

(viii) **Distribution of Shareholding & Shareholding pattern as on 31.03.2008**

Shareholding Pattern			Distribution of Shareholding		
Category	No. of Shares	%	No. of Shares	No. of Shareholders	Shares held in each class
Promoters/ Promoters Group*	3822300	59.14	Up to 5000	2530	1082250
FII's/NRI's	289900	4.48	5001-10000	37	293200
Mutual Funds	-	-	10001-20000	33	447100
Bodies Corporate	896350	13.87	20001-30000	7	197300
Public	1454750	22.51	30001-40000	12	442500
			40001-50000	3	143300
			50001-100000	7	498800
			above 100000	11	3358850
Total	6463300	100.00	Total	2640	6463300

* also include group companies



(ix) Dematerialisation of Shares

The Equity Shares of the Company are compulsorily traded in dematerialised form. Out of total 6463300 Equity Shares, 4727800 shares (73.14 %) have been dematerialised till 30.04.2008.

ISIN No. : INE 865D01012

(x) Address for Correspondence by Shareholders

301, Payal Towers, Sayajigunj, Vadodara-390 005.

Phone : (0265) 2362027, 2361096

Fax : (0265) 2362634

E-mail : jccl@wilnetonline.com

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