

JHAVERI CREDITS & CAPITAL LIMITED

25TH ANNUAL REPORT (2018-19)

BOARD OF DIRECTORS

Mr. Kamlesh J. Jhaleri- Whole Time Director
Mr. Shaderesh J. Jhaveri- Director (Non - Executive)
Mrs. Bela R. Jhaveri- Director (Woman Director)
Mr. Ashesh J. Trivedi- Director (Independent)
Mr. Bimal D. Mehta- Director (Independent)

CHIEF FINANCIAL OFFICER

Mr. Vatsal P. Desai

AUDITORS

MARKS & CO.
Chartered Accountants
A/506, Safal Pegasus,
Near AUDA Garden,
Prahladnagar Road,
Ahmedabad- 380 015

REGISTERED OFFICE

301, Payal Towers-II
Sayajigunj,
Vadodara-390020
Gujarat
India

INDEPENDENT AUDITOR'S REPORT

To the Members of JHAVERI CREDITS AND CAPITAL LIMITED

Report on the Financial Statements:-

Opinion:-

We have audited the accompanying financial statements of **JHAVERI CREDITS AND CAPITAL LIMITED**, which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019, and its profit/loss, and its cash flows for the year ended on that date.

Basis for opinion:-

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management's for the Financial Statements:-

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are

reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

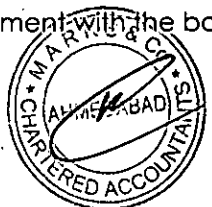
Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of Financial Statements:-

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Report on Other Legal and Regulatory Requirements:-

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (1) of section 143 of the Act, we give in the "Annexure- A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(1) of the Act, we report that:
 - a) The company has sold some of its assets consisting of shares at a price less than that at which they were purchased.
3. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



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- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014, except *Employee Benefit Expenses as per AS- 15 "Employee Benefits"*, wherein valuation of *Employee Benefits* is not done as per actuarial valuation;
- a) On the basis of written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- b) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- c) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has not been an occasion in case of the Company, during the year under report, to transfer any sums to the Investor Education and Protection Fund hence the question of delay in transferring such sums does not arise.

FOR MARKS & CO.

[Firm Registration No. 139476W]

Chartered Accountants

Rohan, . . .

Rohan D. Mehta

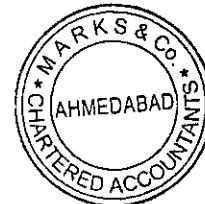
Partner

Mem. No. 142372

Place : Ahmedabad

Date : 30/05/2019

UDIN: 19142372 AAAA 412009



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Annexure "A" referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the member of Jhaveri Credits and Capital Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The fixed assets have been physically verified by the management during the year as per the regular programme of verification. However, the formal documentations for the same are not available for our verification. Thus, we are unable to comment for the same.
(c) According to the information and explanation given to us, the title deeds of immovable properties, as disclosed in Note No.-11 are held in the name of the Company.
- (ii) Since the Company holds inventory of shares in Dematerialised form, the question of commenting on physical verification of inventory does not arise and no material discrepancies were noticed during the period under review.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any loans or deposits from the public; which are "Deposits" within the meaning of Rule 2(b) of the Companies (Acceptance of Deposits) Rules, 2014.
- (vi) As informed to us, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 in respect of activities undertaken by the company during the financial year.
- (vii) (a) According to information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, sales-tax, income-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it. However, there have been delays in payment / deposit of statutory dues in respect of few cases of employees' state insurance and tax deduction at source.



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- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. Further, the Company does not have any debentures and loan from government and financial institution.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided as per the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given by the management, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that transactions with related parties are in compliance with the provisions of Section 177 & 188 of the Companies Act, 2013, wherever applicable and all the transactions with related parties have been disclosed in the Financial Statements, as required by applicable accounting standards at Note No. 27 of the financial statements.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.



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(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi) of Companies (Auditor's Report) Order, 2016 are not applicable.

FOR MARKS & CO.

[Firm Registration No. 139476W]

Chartered Accountants

Rohan

Rohan D. Mehta

Partner

Mem. No. 142372

Place : Ahmedabad

Date : 30/05/2019



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF Jhaveri Credits and Capital Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Jhaveri Credits and Capital Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system over financial reporting.



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Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; _
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR MARKS & CO.

[Firm Registration No. 139476W]

Chartered Accountants

Place : Ahmedabad

Date : 30/05/2019

Rohan D. Mehta

Partner

Mem. No. 142372



JHAVERI CREDITS AND CAPITAL LIMITED

Balance Sheet As At 31st March, 2019

Particulars	Note No.	As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	6,46,33,000	6,46,33,000
(b) Reserves & Surplus	4	1,41,65,057	1,88,67,681
(2) Non-Current liabilities			
(a) Long Term Liabilities	5	1,39,02,541	1,40,08,191
(b) Long Term Provisions	6	1,10,233	2,60,000
(c) Deferred Tax liabilities (Net)	29	-	-
(3) Current Liabilities			
(a) Short-Term Borrowings	7	-	-
(b) Trade Payables	8	1,00,96,374	1,08,30,089
(c) Other Current Liabilities	9	1,00,142	3,58,385
(d) Short-Term Provisions	10	-	5,15,500
Total		10,30,07,346	10,94,72,845
II. ASSETS			
(1) Non-current Assets			
(a) Property, Plant & Equipments - Tangible	11	7,54,830	8,36,853
(b) Non-current Investments	12	74,65,000	74,65,000
(c) Long Term Loans and Advances	13	55,44,000	48,80,522
(d) Deferred Tax Asset (Net)	29	24,480	24,040
(2) Current Assets			
(a) Inventories	14	3,92,51,380	4,44,49,949
(b) Current Investments	15	97,000	30,97,000
(c) Trade Receivables	16	1,52,18,693	1,46,88,942
(d) Cash and Cash Equivalents	17	2,88,86,096	2,75,34,961
(e) Short-Term Loans and Advances	18	2,03,746	3,74,279
(f) Other Current Assets	19	55,62,122	61,21,301
Total		10,30,07,346	10,94,72,845
		0	0

Notes to Accounts

1 to 32

As per our Report of even date attached

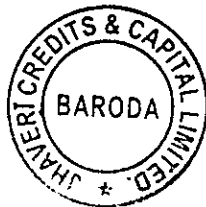
For MARKS & CO.
Chartered Accountants
Registration No. 139476W

Rohan

CA ROHAN MEHTA
Partner
M. No: 142372



Place: Vadodara
Date: 30.05.2019



For & on behalf of the Board
JHAVERI CREDITS AND CAPITAL LIMITED

Kamlesh J. Jhaveri
Kamlesh J. Jhaveri
Whole-Time Director
DIN: 00266242

Bhaderesh J. Jhaveri
Bhaderesh J. Jhaveri
Director
DIN:00266287

Vatsal Desai
Vatsal Desai
Chief Financial Officer

Janki Doshi
Janki Doshi
Mem. No. A35983

Place: Vadodara
Date: 30.05.2019

JHAVERI CREDITS AND CAPITAL LIMITED

Statement of Profit & Loss for the year ended 31st March, 2019

Particulars		Note No.	2018-19 Amount (₹)	2017-18 Amount (₹)
I	Revenue from Operations	20	62,85,782	1,13,70,918
II	Other Income	21	16,19,340	20,77,619
III	Total Revenue (I + II)		79,05,122	1,34,48,536
IV	Expenses:			
	Employee benefits expense	22	36,99,422	36,68,418
	Finance costs	23	3,76,470	4,69,795
	Depreciation and amortization expense	11	82,025	1,43,362
	Other expenses	24	83,17,406	71,50,487
	Total expenses		1,24,75,322	1,14,32,061
V.	Profit before exceptional and extraordinary items and tax (III-IV)		(45,70,200)	20,16,475
VI.	Exceptional Items			
VII.	Profit before extraordinary items and tax (V - VI)		(45,70,200)	20,16,475
VIII.	Extraordinary Items (Prior Period Expenses)		56,072	32,106
IX.	Profit before tax (VII- VIII)		(46,26,272)	19,84,369
X	Tax expense:			
	(1) Current tax			5,15,500
	(2) Deferred tax			(95,886)
	(3) Short / Excess Provision of Income Tax of P.Y.	29	(440)	(6,405)
XI	Profit (Loss) for the period from continuing operations (IX-X)		76,792	(6,405)
			(47,02,624)	15,71,161
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)			
XV	Profit (Loss) for the period (XI + XIV)		(47,02,624)	15,71,161
XVI	Earnings per equity share:			
	(1) Basic		-0.73	0.24
	(2) Diluted			
	Significant Accounting Policies	2		

Notes to Accounts

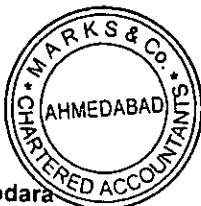
1 to 32

As per our Report of even date attached

For MARKS & CO.
Chartered Accountants
Registration No. 139476W

Rohan

CA ROHAN MEHTA
Partner
M. No: 142372



For & on behalf of the Board
JHAVERI CREDITS AND CAPITAL LIMITED

Samlesh J. Jhaveri
Samlesh J. Jhaveri
Whole-Time Director
DIN: 00266242

Bhaderesh J. Jhaveri
Bhaderesh J. Jhaveri
Director
DIN:00266287

Vatsal Desai
Vatsal Desai
Chief Financial Officer

Janki Doshi
Janki Doshi
Mem. No. A35983

Place: Vadodara
Date: 30.05.2019

Place: Vadodara
Date: 30.05.2019

JHAVERI CREDITS AND CAPITAL LIMITED

Cash Flow Statement For The Year Ended 31st March, 2019

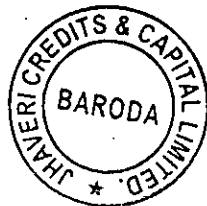
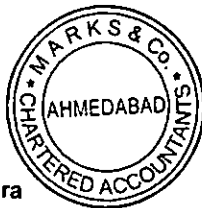
Particulars	2018-19 Amount (₹)	2017-18 Amount (₹)
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / Loss before Tax & after Extra ordinary items:	(46,26,272)	19,84,370
Adjustments For:		
Depreciation & Amortization Expense	82,025	1,43,362
Profit on sale of Fixed Asset	-	(4,89,898)
Profit / Loss on Mutual Fund	(2,72,809)	3,000
Prior Period Items	56,072	32,106
Interest Expenses	10,755	1,63,565
Interest Income	(12,20,027)	(13,12,273)
Operating Profit Before Working Capital Changes	(59,70,257)	5,24,232
Adjustments For:		
Trade Receivables and Short-term Loans and Advances	(3,59,217)	5,40,893
Inventories	51,98,569	(51,77,006)
Other Current Assets	5,59,179	10,77,658
Trade Payables, Other Current Liabilities and Short Term Provisions	(13,67,076)	(1,01,30,785)
Long-term Loans and Advances and Other Non-current Assets	(6,63,918)	(10,34,076)
Other Long-term Liabilities and Long-term Provisions	(2,55,417)	(26,846)
Cash Generated From Operations	31,12,120	(1,47,50,162)
Income Tax Paid	(28,58,137)	(1,42,25,930)
Net Cash From Operating Activities	(28,58,137)	4,48,313
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	(1,54,975)
Sale of Fixed Assets	-	8,53,998
Purchase / Sale of Investment	30,00,000	(12,47,000)
Interest Income	12,20,027	13,12,273
Net Cash From Investing Activities	42,20,027	7,64,296
C) CASH FLOW FINANCING ACTIVITIES		
Repayment of Long term Borrowings	-	-
(Increase) / Decrease in Short-term Borrowings	-	-
Interest Expenses	(10,755)	(44,45,536)
Net Cash From Financing Activities	(10,755)	(1,63,565)
Increase in Cash and Cash Equivalents (A+B+C)	(10,755)	(46,09,101)
Cash and Cash Equivalents at the Beginning of the Year	13,51,135	(1,85,19,049)
Cash and Cash Equivalents at the End of the Year	2,75,34,961	4,60,54,010
Cash and Cash Equivalents at the End of the Year	2,88,86,096	2,75,34,961

As per our Report of even date attached

For MARKS & CO.
Chartered Accountants
Registration No. 139476W

Rohan

CA ROHAN MEHTA
Partner
M. No: 142372



For & on behalf of the Board
JHAVERI CREDITS AND CAPITAL LIMITED

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DIN: 00266242

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Bhaderesh J. Jhaveri
Director
DIN:00266287

Vatsal Desai
Vatsal Desai
Chief Financial Officer

CS Janki Doshi
CS Janki Doshi
Mem. No. A35483

Place: Vadodara
Date: 30.05.2019

Place: Vadodara
Date: 30.05.2019

JHAVERI CREDITS & CAPITAL LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

NOTE: - 1 Corporate Information

The Company is incorporated in the year of 1993 under The Companies Act, 1956. The Company is listed with Bombay Stock Exchange. The Company provides broking platform on various exchanges to the clients for dealing in various Commodities traded on those exchanges in present, spot and future dealings. The Company is a broking member of Commodity Exchange viz. 'National Commodity And Derivatives Exchange Limited' (NCDEX), 'Multi Commodity Exchange Of India Limited' (MCX) and 'National Spot Exchange Limited' (NSEL).

NOTE: - 2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation of Financial Statements

- i. The Company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on an accrual basis.
- ii. The Financial Statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 2013 as adopted consistently by the Company.

2.2 Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principle requires Estimates and Assumptions to be made that affect the reported amount of Assets and Liabilities on the date of financial statements and the



reported amounts of Revenue and Expenses during the reporting period. Differences between Actual results and estimates are recognized in the period in which the results are known / materialized.

2.3 Property, Plant and Equipment:

Property, Plant & Equipment are stated at cost of acquisition, which includes taxes, duties, freight, and other identifiable expenditure relating to acquisition and installation as well as subsequent improvement.

- i. Depreciation on Property, Plant & Equipment is provided as per Written Down Value – Method on pro rata basis at the rates derived on the basis of useful lives as prescribed in schedule II of the Companies Act, 2013.
- ii. Depreciation on additions is provided on pro-rata basis.
- iii. Depreciation is charged on the assets from the date they are put to use or ready to use.
- iv. According to the information and explanation provided to us and on the basis of technical evaluation done by the Company, there are no such significant parts of the assets which can be segregated from the main assets.

2.4 Investments:

Current Investments are carried out at lower of Cost and quoted/fair value, computed category wise.

Long Term investments are stated at cost. A provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

2.5 Inventories:

Inventories of the shares & securities are stated at cost. The company accounts for the difference in the stock valuation in the Share Trading Account in Profit & Loss Account.



2.6 Revenue Recognition:

- (a) Brokerage income is accounted on accrual basis. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- (b) Dividend income is recognized when the right to receive dividend is established.

2.7 Provision for Current and Deferred Tax:

Income tax expense for the year comprises of current tax and deferred tax. Current tax provision is based on tax payable under the provisions of the Income Tax Act, 1961; which is computed in accordance with relevant, tax laws & rates. Similarly, provision is made for Deferred Tax for all timing difference items arising between taxable income & accounting income or expenses as the case may be, at currently enacted tax laws & rates.

Deferred Tax Assets are recognized only if there is reasonable certainty that the same will realized & are reviewed for appropriateness at the respective carrying values at each balance sheet dates.

2.8 Treatment of Contingent Liabilities:

Contingent Liabilities are determined on the basis of available information and disclosed by way of Notes to the Accounts.



JHAVERI CREDITS AND CAPITAL LIMITED

Notes Forming Part of the Balance Sheet as at 31st March, 2019

Note 3: Share Capital

a. Details of Each class of shares

Particulars		As At 31.03.2019		As At 31.03.2018	
		No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
1 Share Capital	Authorized Capital:				
	Equity shares of (Rs.) 10/- each	70,00,000	7,00,00,000	70,00,000	7,00,00,000
	Preference shares of (Rs.) 10/- each	30,00,000	3,00,00,000	30,00,000	3,00,00,000
		1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
2 Issued Subscribed & fully paid-up Capital:	Equity shares of (Rs.) 10/- each	64,63,300	6,46,33,000	64,63,300	6,46,33,000
	Total	64,63,300	6,46,33,000	64,63,300	6,46,33,000

b. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars		As At 31.03.2019		As At 31.03.2018	
		No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Equity Shares:					
	Shares Outstanding at the beginning of the year	64,63,300	6,46,33,000	64,63,300	6,46,33,000
	Shares issued during the year	-	-	-	-
	Shares bought back during the year	-	-	-	-
	Any other movement	-	-	-	-
	Shares outstanding at the end of the year	64,63,300	6,46,33,000	64,63,300	6,46,33,000

c. Rights, preferences and restrictions:

- The Company has only one class of shares referred to as equity shares having par value of Rs.10. Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. Details of Shareholding more than 5% in the Company

Name of Shareholder		As At 31.03.2019		As At 31.03.2018	
		No. of Shares	% of Holding	No. of Shares	% of Holding
1	Rajesh J. Jhaveri	3,24,000	5.01	3,24,000	5.01
2	Kamlesh J. Jhaveri	5,91,521	9.15	5,91,521	9.15
3	K. J. Jhaveri HUF	13,47,819	20.85	13,47,819	20.85
4	Bhaderesh J. Jhaveri	3,45,100	5.34	3,45,100	5.34
	Total	26,08,440	40.35	26,08,440	40.35



JHAVERI CREDITS AND CAPITAL LIMITED

Notes Forming Part of the Balance Sheet as at 31st March, 2019

Note 4: Reserves & Surplus

Particulars		As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
1	General Reserve		
	Opening balance	23,80,147	23,80,147
	Add: Transferred from the Special Reserve	-	-
	Less: Written back in current year	-	-
	Closing Balance (B)	23,80,147	23,80,147
2	Surplus / (deficit) in the statement of Profit and Loss		
	Balance as per last financial Statements	1,64,87,534	1,49,16,373
	Net Profit/(Loss) for the year	(47,02,624)	15,71,161
	Closing Balance (C)	1,17,84,910	1,64,87,534
TOTAL (A+B+C)		1,41,65,057	1,88,67,681

Note 5: Long Term Liabilities

Particulars		As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
	Margin Money from Customers	1,39,02,541	1,40,08,191
TOTAL		1,39,02,541	1,40,08,191

Note 6: Long Term Provisions

Particulars		As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
	- Income Tax Provision	1,10,233	2,60,000
TOTAL		1,10,233	2,60,000

Note 7: Short Term Borrowings

Particulars		As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
	Secured: Bank Overdraft with HDFC Bank (Secured by The Fixed Deposit of Rs. 50,00,000 for the tenure of 12 month & 16 days)	-	-
TOTAL		-	-



JHAVERI CREDITS AND CAPITAL LIMITED

Notes Forming Part of the Balance Sheet as at 31st March, 2019

Note 8: Trade Payables

Particulars		As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
	Dues to - Micro Small Medium Enterprises - Sundry Creditors	- 1,00,96,374	- 1,08,30,089
	TOTAL	1,00,96,374	1,08,30,089

Note:

Based on the information available with the Company, there are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2018.

Note 9: Other Current Liabilities

Particulars		As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
1	Govt. Liabilities		
	P.F. Payable		
	-Employer's Liability	12,513	26,701
	-Employee's Liability	11,671	24,840
	ESIC Payable	-	-
	-Employer's Liability	2,482	2,945
	-Employee's Liability	1,345	1,604
	TDS Payable	36,056	2,75,542
	Professional Tax Payable	1,600	1,800
	Stamp Duty Payable	34,475	24,953
	Gujarat Labour Welfare fund	-	-
2	Other Payables		
	- Other Liabilities	-	-
	TOTAL	1,00,142	3,58,385

Note 10: Short Term Provisions

Particulars		As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
	- Income Tax Provision	-	5,15,500
	TOTAL	-	5,15,500



JHAVERI CREDITS AND CAPITAL LIMITED

Notes Forming Part of the Balance Sheet as at 31st March, 2019

Note 12: Non Current Investments

Particulars		As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
1	Trade Investments Shares of Makarpura Co-op Bank (5,000 shares of ₹ 10/- Each)	50,000	50,000
2	In Equity Shares of Associate Companies (Unquoted) Jhaveri Securities Ltd. (9,88,666 Share of ₹ 10/- Each)	7,415,000	7,415,000
TOTAL		7,465,000	7,465,000

Note 13: Long Term Loans & Advances

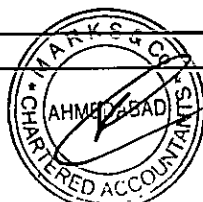
Particulars		As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
1	Security Deposit Rent Deposit Deposit With the Exchange	44,000 5,500,000	44,000 4,500,000
2	Unsecured, Considered good Advance Income Tax	-	336,522
TOTAL		5,544,000	4,880,522

Note 14: Inventories

Particulars		As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
	Stock in trade	39,251,380	44,449,949
TOTAL		39,251,380	44,449,949

Note 15: Current Investment

Particulars		As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
1	Investment in Mutual Fund Magnum Global Fund SIP	-	1,550,000
2	Reliance ETF Nifty Midcap 150	-	1,450,000
3	DSP BR A.C.E FUND-SR-1 (G) 4984917/30	97,000	97,000
TOTAL		97,000	3,097,000



JHAVERI CREDITS AND CAPITAL LIMITED

Notes Forming Part of the Balance Sheet as at 31st March, 2019

Note 16: Trade Receivables

Particulars		As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
1	Outstanding for More than Six months Unsecured, Considered Good : Includes Amount due from Related Party (Refer Note No. 27)	1,43,82,334	1,44,20,032
	SUB TOTAL(A)	1,43,82,334	1,44,20,032
2	Others Unsecured, Considered Good :	8,36,358	2,68,910
	SUB TOTAL(B)	8,36,358	2,68,910
	TOTAL (A+B)	1,52,18,693	1,46,88,941

Note 17: Cash & Cash Equivalents

Particulars		As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
1	Balance With Banks	1,06,80,827	94,59,016
2	Cash on hand	18,890	9,693
3	Fixed Deposit with Banks (Refer Note Below)	1,81,86,379	1,80,66,251
	TOTAL	2,88,86,096	2,75,34,961

Note: Fixed Deposits are against Bank Guarantee and Overdraft Facility availed by the Company and the

Note 18: Short Term Loans & Advances

Particulars		As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
1	Balances With Government Authorities Advance Tax & TDS Receivable	1,22,002	3,11,227
2	GST Receivables	81,743	63,052
	TOTAL	2,03,746	3,74,279

Note 19: Other Current Assets

Particulars		As at 31.03.2019 Amount (₹)	As at 31.03.2018 Amount (₹)
1	Interest Accrued but not Due on Fixed Deposit	3,79,031	8,40,531
2	Deposit With the Exchange	50,00,000	50,00,000
3	Advance Recoverable in Cash or Kind Includes amount due from Related Party (Refer Note- 27)	1,83,091	2,80,769
	TOTAL	55,62,122	61,21,301



JHAVERI CREDITS AND CAPITAL LIMITED

Notes Forming Part of the Balance Sheet as at 31st March, 2019

Note 11: Property, Plant & Equipment

Amount in (₹)

Particulars	GROSS BLOCK - AT COST				DEPRECIATION /AMORTISATION				NET BLOCK	
	As at April 1, 2018	Additions	Deduction/ Adjustments	As at March 31, 2019	Up to April 1, 2018	For the year	Deduction During the year	Up to March 31, 2019	As at March 31, 2019	As at March 31, 2018
Office Building	9,42,719	-	-	9,42,719	5,40,399	17,950	-	5,58,349	3,84,370	4,02,320
Furniture & Fixtures	12,23,620	-	-	12,23,620	11,67,286	-	4,847	11,62,439	61,181	56,334
Computer Equipment	35,79,395	-	-	35,79,395	33,53,042	99,326	82,540	33,69,828	2,09,567	2,26,354
Office Equipments	33,479	-	-	33,479	31,504	-	-	31,504	1,975	1,975
Vehicles	12,70,532	-	-	12,70,532	11,20,660	52,135	-	11,72,795	97,737	1,49,872
Total	70,49,745	-	-	70,49,745	62,12,891	1,69,411	87,387	62,94,915	7,54,830	8,36,855
Previous Year	77,48,768	1,54,975	8,53,998	70,49,745	65,59,428	1,43,362	4,89,898	62,12,891	8,36,854	11,89,342



Notes Forming Part of the Statement of Profit & Loss for the year ended as on 31st March, 2019

Note 20: Revenue From Operations

Particulars		2018-19 Amount (₹)	2017-18 Amount (₹)
1	Brokerage Income	71,47,179	76,03,140
2	Income From Trading		
	Opening Stock of Shares	4,44,49,949	3,41,72,366
	Add: Purchase of Shares	5,32,755	1,02,77,582
	Total	4,49,82,704	4,44,49,949
	Less: Closing Stock of Shares	3,92,51,380	4,44,49,949
	Cost Of Sale of Shares	57,31,324	-
	Less: Sales of Shares	46,97,747	-
	Profit / (LOSS) From Delivery Trading	(10,33,577)	(1)
	Add :- Profit from Non Delivery Trading	405	37,48,759
	Less:- Share Trading Expenses	8,684	22,105
	Net Profit/ (Loss) from Trading	(10,41,855)	37,26,653
3	Other Operating Income	1,80,458	41,125
	TOTAL	62,85,782	1,13,70,918

Note 21: Other Income

Particulars		2018-19 Amount (₹)	2017-18 Amount (₹)
1	Interest Income	12,20,027	13,12,273
2	Dividend Income	66,504	69,075
3	Other non - operating income	60,000	2,09,373
4	Profit/ (Loss) on Mutual Fund	2,72,809	(3,000)
5	Profit on sale of Fixed Assets	-	4,89,898
	TOTAL	16,19,340	20,77,619

Note: Other Non- Operating Income Includes Weekly Interest Income for which entries are run by system for it. so Supporting not available

Note 22: Employee Benefit Expenses

Particulars		2018-19 Amount (₹)	2017-18 Amount (₹)
1	Salaries and Wages		
	Director's Remunerations (Refer Note 27)	3,00,000	3,00,000
2	Salaries and Wages (Refer Note 27)	29,90,251	29,98,822
3	Contribution to :		
	Provident Fund	3,39,488	3,22,784
	ESIC Contribution	69,683	46,812
	TOTAL	36,99,422	36,68,418



JHAVERI CREDITS AND CAPITAL LIMITED

Notes Forming Part of the Statement of Profit & Loss for the year ended as on 31st March, 2019

Note 23: Finance Cost

Particulars		2018-19 Amount (₹)	2017-18 Amount (₹)
1	Interest expense on Borrowings	-	1,58,585
2	Other Bank Guarantee and Bank Charges	3,65,715	3,06,230
3	Interest on TDS	10,755	2,500
4	Interest on Income Tax	-	2,480
TOTAL		3,76,470	4,69,795

Note 24: Other Expenses

Particulars		2018-19 Amount (₹)	2017-18 Amount (₹)
1	Commission	41,65,216	36,27,340
2	Insurance	54,442	75,860
3	Legal & Professional Fees	4,80,102	2,43,450
4	Postage and Courier	3,500	3,383
5	Printing & Stationery	17,603	16,440
6	Rent, Rates and Taxes (Refer Note 27)	9,00,594	8,53,674
7	Repairs and Maintenance	3,67,428	3,95,250
8	Telephone and Communication Expenses	9,552	10,195
9	Trade Related Expenses	17,34,422	16,25,103
10	Income Tax Paid	-	42,929
11	Payment to Auditors	-	-
	- For Statutory & Tax Audit	95,500	65,000
12	Electricity Expenses	1,54,207	1,01,587
13	Miscellaneous Expenses	3,34,841	90,277
TOTAL		83,17,406	71,50,487



List of ICDS

ICDS No	Particulars	Applicability to JCCL	Complied
I	Accounting Policies	Yes	Yes
II	Inventories	Yes	NA as Stock is in nature of Shares covered by ICDS - 7
III	Construction Contract	NA	NA
IV	Revenue Recognition	Yes	Brokerage- As per ICD's % of Completion Method & Brokerage Entries are given by Exchange on next day based on the Trading done on yesterday. Exchange process the bill in midnight and next day in morning files are run in Tech Excel. Interest & Dividend - In line with ICDS Other Misc Income- Entries given by Exchange as explained in Brokerage
V	Tangible Fixed Asset	Yes	As per ICDS
VI	Effects of change in Foreign Exchange Rates	NA	No Foreign Exchange Dealing
VII	Government Grants	NA	No Government Grants Received
VIII	Securities	Yes	As per ICDS: Initial Recognition at Cost- yes complied. At year End - Cost or NRV Whichever is less- Working done below. As the cost is lower, no impact of ICDS on DTA/DTL and Computation
IX	Borrowing Cost	Yes	As per ICDS
X	Provisions, Contingent Liabilities & Contingent Asset	Yes	As per ICDS

Sr. No.	Particulars	Unit	Closing Stock as on 31.03.2019	Cost Price	Market value as on 31.03.2019
1	ARVIND LIMITED		2400	1032071	217920
2	Bajaj Holdings & Investment Limited		300	859079	1025415
3	BHEL		2812	490110	210618.8
4	HSG & URBAN DEV CORPN LTD		1500	122189	67425
5	KEMROCK IND LTD		48000	1542245	0
6	NATIONAL ALUMINIUM CO LTD		10000	380000	554000
7	RELIANCE INDUSTRIES LTD		29302	14945708	39940091.1
8	RELIANCE NIPPON L A M LTD		5214	1576781	1095200.7
9	SBI LIFE INSURANCE CO LTD		1500	986468	869325
10	SRIKALAHASTHI PIPES LTD		2000	779908	458100
11	SUNPHARMA		15089	12766501	7231403.25
12	TATA MOTORS LIMITED		17675	3769163	3080752.5
13	VODAFONEIDEALIMITED		38	1157	689.7
	Total		1,35,830	3,92,51,380	5,47,50,941
As per ICDS Cost or NRV whichever is lower i.e. lower of (A) or (B) : Cost				3,92,51,380	

Jhaveri Credits and Capitals Limited

Annexure 5

A.Y. 2019-20

Clause No- 27(b): Particulars of income or expenditure of prior period

Date	Expense Head	Period of Expense	Amount (₹)
	Professional Fees	2017-18	56,072
Total			56,072

JHAVERI CREDITS & CAPITAL LIMITED

Notes to Financial Statements for the year ended 31st March, 2019

NOTE 25 Contingent Liabilities and Commitments:

25.1 Contingent Liabilities:

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
I. Bank Guarantees with Stock Exchange	3,32,50,000	3,32,50,000
II. Litigation pending at NSEL Spot exchange	1,39,02,541	-
Total	4,71,52,541	3,32,50,000

25.2 Commitments:

- I. Related to Contracts: Nil
- II. Other Commitments: Nil

NOTE 26 Earning Per Shares (EPS):

Particulars		For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2018
Net Profit after tax as per Profit and Loss accounts attributable to Equity Shareholders	₹	(47,02,624)	15,71,161
Weighted Average number of equity shares used as denominator for calculating EPS	Numbers	64,63,300	64,63,300
Basic Earnings Per Share	₹	(0.73)	0.24
Face Value per equity Share	₹	10	10



NOTE 27 Related Party Disclosures

As per Accounting Standard 18, disclosures of transactions with the related parties as defined in Accounting Standard are given below:

A. Relationships:

a. Key Management Personnel

Mr. Kamlesh J. Jhaveri – Managing Director

Mr. Vatsal Desai - Chief Financial Officer

Mrs. Bela Jhaveri - Woman Director

Ms. Janki Doshi - Company Secretary

b. Relatives of key management personnel and their enterprise where transactions have taken place:

Name	Relationship
J. B. Jhaveri HUF	Karta is a Director of the Company
Mrs. S. J. Jhaveri	Relative of Director
K. J. Jhaveri HUF	Karta is a Director of the Company
Karan Jhaveri	Relative of Director
Jeet B. Jhaveri	Relative of Director
Yash B. Jhaveri	Relative of Director
Kruti R. Jhaveri	Relative of Director
Maulik R. Jhaveri	Relative of Director

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.



B. Transactions carried out with related parties referred in (b) above, in ordinary course of business:

Sr. No	Nature of Transaction	Company in which Director of company are Director	Key Management Personnel	Relatives of Key Management personnel	Total	
					2018-19 (₹)	2017-18 (₹)
Expenses						
1	Rent	-	4,20,000		4,20,000	4,20,000
2	Remuneration to Directors	-	3,00,000	-	3,00,000	3,00,000
3	Salary	-	2,94,992	6,95,647	9,90,639	11,33,500
4	Professional Fees	-	-	-	-	-
5	Performance Incentive	-	-	-	-	4,84,370
Income						
1	Rent	60,000	-	-	60,000	1,04,000
Share Trading						
1	Purchase of Shares Through					
	Jhaveri Securities Limited	5,32,755			5,32,755	1,20,64,009
2	Sale of Shares Through					
	Jhaveri Securities Limited	46,97,747			46,97,747	1,06,35,761

NOTE 28

The outstanding balances of Trade Receivables, Trade Payables, Deposits and Loans & Advances are subject to confirmation.



NOTE 29 Deferred Tax Liabilities / (Assets)

Particulars	As on 31.03.2018 (Amount in ₹)	During the Year (Amount in ₹)	As on 31.03.2019 (Amount in ₹)
Property, Plant & Equipment	(23,907)	(440)	(23,537)
Employees' Contribution towards staff welfare schemes Sec 36(1) (va)	(133)	0	(133)
Total	(24,040)	(440)	(24,480)

NOTE 30

In the opinion of the Board:

- All current assets, loans and advances have value at least equal to the amount at which they are stated in the accounts.
- All known liabilities have been provided for and there is no liability, contingent or otherwise, is stated in the accounts

NOTE 31

The Previous year's figures have been regrouped, reworked, rearranged, and reclassified whenever necessary. Amounts and other disclosures for the preceding year are included an integral part of the current year financial statement and are to be read in relation to the amounts and other disclosures relating to the current year.

For MARKS & CO.
Chartered Accountants
Firm Registration No.139476W

Rohan

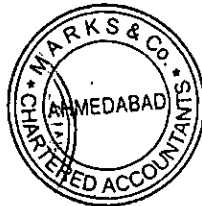
CA ROHAN MEHTA
Partner
M No.:142372

For and on behalf of the Board

Kamlesh J. Jhaveri
Kamlesh J. Jhaveri
Managing Director
DIN-00266242

Bhaderesh Jhaveri

Bhaderesh Jhaveri
Director
DIN-00266287



Place: Ahmedabad
Date : 30.05.2019

Vatsal Desai

Vatsal Desai
Chief Financial
Officer

Place: Vadodara
Date : 30.05.2019

Janki Doshi

CS Janki Doshi
Mem No. A35983

