






## FORM A

### Covering letter of the Annual Audit Report to be filed with Bombay Stock Exchange

1	Name of the Company	M/s Jhaveri Credits & Capital Limited
2	Annual financial statements for the year ended	31 <sup>st</sup> March, 2014
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Since beginning of Financial year
5	Signed by-  Mr. Rajesh J. Jhaveri Managing Director DIN No.: 00266182  Mr. Kamlesh J. Jhaveri Director DIN No.: 00266242  Mr. Ashesh J. Trivedi Audit Committee Chairman DIN No.: 00278869  Mr. Hemant Suthar Partner M. No. : 107656 Mukund & Rohit Auditor of the Company	    

**JHAVERI CREDITS & CAPITAL LIMITED**

**20<sup>th</sup> Annual Report  
2013-2014**

**JHAVERI**  
[ C O M M O D I T I E S ]

*Let's Grow Together*

# JHAVERI CREDITS & CAPITAL LIMITED

## 20th ANNUAL REPORT (2013-14)

**BOARD OF  
DIRECTORS**

:-

Mr. Jitendra B. Jhaveri	Chairman
Mr. Rajesh J. Jhaveri	Managing Director
Mr. Kamlesh J. Jhaveri	Whole Time Director
Mr. Bhaderesh J. Jhaveri	Director
Mr. Kantilal N. Patel	Director
Mr. Ashesh Trivedi	Director
Mr. Bimal D. Mehta	Director

**AUDITORS**

:-

Mukund & Rohit  
Chartered Accountants,  
No. 8, 2<sup>nd</sup> Floor, Tower E,  
Avishkar, Old Padra Road,  
Vadodara- 390 007.  
Gujarat.

**REGISTERED  
OFFICE**

:-

301, Payal Towers-II  
Sayajgunj,  
Vadodara-390 005.  
Gujarat  
India

**JHAVERI CREDITS & CAPITAL Limited**

**NOTICE FOR 20th ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 20th Annual General Meeting of the Members of the Company will be held on Saturday, the **16<sup>th</sup> day of August, 2014 at 11.00 a.m.** at 301, PAYAL TOWERS II, SAYAJIGUNJ, VADODARA - 390 020 to transact the following business :

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet and the Profit & Loss Accounts for the year ended 31st March, 2014 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. Bimal D. Mehta, who retires by rotation and being eligible offers himself for re- appointment.
4. To appoint the Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of next annual general meeting of the company and to fix their remuneration.

**Regd. Office:**  
**301, Payal Towers II,**  
**Sayajigunj,**  
**Baroda-390 005**  
**Date:30.05.2014**

**By order of the Board**  
**For JHAVERI CREDITS & CAPITAL LTD**

**RAJESH JHAVERI**  
**MANAGING DIRECTOR**  
**DIN NO. 00266182**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO PPOINT 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 Friday The 08<sup>th</sup> August 2014 to Friday the 15<sup>th</sup> August 2014 (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.
4. Details pursuant to listing agreement regarding directors to be appointed/reappointed as Director are as under:
  - a. Mr. Jitendra Jhaveri: is a Chartered Accountant and having vast experience in the field of Finance And Accounts.
  - b. Mr. Bimal D. Mehta : is a Chartered Accountant and having vast experience in the field of finance and taxation.

**JHAVERI CREDITS & CAPITAL LIMITED**  
**DIRECTORS' REPORT**

To,  
The Members  
Jhaveri Credits & Capital Ltd.  
Vadodara.

The Directors of your Company present to you the 20th Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2014.

**FINANCIAL RESULTS**

(Rs. in lacs)

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
Sales & Other Income	321.85	481.59
Total Expenditure	269.59	410.87
Operating Profit	52.26	70.72
Interest, Finance Charges & Exchange variation	10.25	37.56
Gross Profit/ (Loss) for the year	42.01	33.16
Depreciation	3.92	5.87
Profit / (Loss) for the year	38.08	27.29
Less: Provision for Taxation	12.00	8.50
Less: Differed Tax Liability	(0.33)	(1.59)
Add: Short provision of Income Tax	1.37	-
Profit after Tax	25.04	20.38

**DIVIDEND**

The Directors do not recommend any dividend in view of retention of funds in the business.

**REVIEW OF OPERATIONS**

The income for the year 2013-14 has decreased to **321.85** Lacs from Rs **481.59** lacs in year 2012-13.

The company earned a surplus of Rs. 38.08 Lacs for the year ended 31.03.2014 against Rs. 27.29 Lacs in the previous year before claim for depreciation.

The performance of the company is in stabilized trend in broking and delivery based transaction in precious metals and agro products. The spot exchange dealings are in terms of business operations. The growth is cost oriented development and positive venture for future. The company has expanded the network of branches and authorised persons at pan Gujarat and is able to establish its brand "Jhaveri" in the field of broking, trading and retailing.

Company is marking "Jhaveri Brand" at all locations and has resulted the growth, stability and prosperity in metals, pulses and cereals. We are very optimistic to have huge volumes and positive returns with the brand in commodity market in the time to come.

**FIXED DEPOSITS**

The Company is not accepting public deposits. The amount of unclaimed deposits as on 31<sup>st</sup> March, 2014 was NIL.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures if any.
- ii) 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 31<sup>st</sup> March, 2014.
- iii) The Directors have taken proper care for the maintenance of adequate accounting records in accordance with the provisions of the 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 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. Jhaveri, and Shri Bimal D. Mehta are directors of the company, retire by rotation and being eligible, offer themselves for reappointment.

## **MANAGEMENT DISCUSSION & ANALYSIS**

This Annual Report contains a separate section on the Management Discussion and Analysis (Annexure I) which forms part of the Directors' Report.

## **CORPORATE GOVERNANCE**

A report on Corporate Governance as required under Clause 49 of this Listing agreement is incorporated as a part of the Directors' Report (**Annexure II**).

Auditors' Certificate regarding compliance of conditions of Corporate Governance is given in the (**Annexure IV**).

## **AUDITORS**

To appoint statutory auditors of the company to hold the office from the conclusion of this Annual General Meeting to the next Annual General Meeting of the Company and to fix their remuneration.

## **AUDITORS' REPORT**

The observations made in the Auditors' Report are self explanatory and therefore, need not require any further comments under section 217 of the Companies Act, 1956.

## **JHAVERI CREDITS & CAPITAL LIMITED**

### **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, are 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.

**By Order of the Board of Directors  
For Jhaveri Credits & Capital Ltd.**

**Place : Baroda.  
Date : 30.05.2014**

**Rajesh J. Jhaveri  
Managing Director  
DIN NO. 00266182**

**ANNEXURE I**  
**Management Discussion and Analysis Report**

**Overall Review**

The Indian economy registered a GDP rate at 4.5 % in the year 2013-14 and planned to raise the GDP rate up to 6% in the year 2014-15 due to the highly volatile global outlook. The current economic scenario is loaded with high fiscal, trade and current account deficits, a weak rupee vulnerable to speculative trends of market mechanism. However optimistic to sustain and grow in terms of volume and Income in view of having stable and visionary Central Government in the Country.

The Company's operations are continued to be focused on Commodity market- related activities and finding out of risk hedging tools. Further, your Company will continue to explore additional opportunities in areas related to its operations.

**Company's Performance**

The company stabled its activity and sustain better even with closing of National Spot Exchange with no damage. The worldwide and National growth rate is still not warmed up. However the company could achieve a reliable, better growth rate during the year by keeping cost under control. The Management proactive measures on risk management, Financial stability, Clients matching has protected the company against the risk of Bad debts, Spot Exchange contingencies of the company and clients.

The company's focus is to give further impetus to the commodities business considering the huge untapped potential and also the fact that commodity futures' trading through exchanges is in its infant stage in India. Our attempt to control administrative cost has given desired results and we expect that in the coming year with renewed focus on higher business generation, we shall be able to perform better.

**Opportunities, Threats and Future Outlook**

The Indian investors and traders are still to get a dynamic view for dealing in the commodity market of spot and futures as available for cash and derivatives. The trend is on positive and we see a bright future in commodity derivatives with enhanced network of franchisees and authorised persons spread over in PAN Gujarat. The initiator of seminars and incentive schemes, leaflets etc. will increase the potential of the business. The future visionary stable government at central will also contribute positively to business and community.

Notwithstanding the potential threats, we anticipate that the commodities trading business should see positive growth in the coming year as the awareness of its benefits spreads. Horizontal expansion of the market will be essential for future growth and our efforts will be in that direction.

**Internal Control System and their adequacy**

The Company has a proper and adequate system of internal controls developed over a period of time. The system is supported by management.

**Human Resources**

The Company's human resource policy lays stress on motivating people by encouraging better work culture and environment aimed at continuous improvement in production and quality.

**Cautionary statement**

Statements in the Management Discussion and Analysis describing the Companies objectives, projections, estimates, and expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions in the domestic and overseas market in which the company operates, changes in the government regulations, tax laws and other statutes and other incidental factors.

**Place :Baroda.**

**Date : 30.05.2014**

**By Order of the Board of Directors**

**For Jhaveri Credits & Capital Ltd.**

**Rajesh J. Jhaveri  
Managing Director  
DIN NO. 00266182**

**ANNEXURE II**

**REPORT ON CORPORATE GOVERNANCE  
[Pursuant to clause 49 of the listing agreement]**

**1. Corporate Governance Philosophy**

The essence of the Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the higher morals of management. The demands of corporate governance require professionals to raise their competency and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics and statutory compliances.

The Company's philosophy on Corporate Governance envisages commitment to ensure customer satisfaction through better services and satisfactory solution 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**

The Board of Directors of the Company (the Board) consisted of Seven members as on 31<sup>st</sup> March, 2014 out of which two are Non Executive Directors, Three are independent Directors in terms of clause 49(I) (A) of the listing agreement.

None of the Directors on the Board are member of more than ten committees and chairman of more than five Committees across all companies in which they are directors.

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

<b>Sr. No</b>	<b>Name of the Director</b>	<b>Category</b>	<b>Number of other</b>		
			<b>Directorships</b>	<b>Committee Memberships</b>	<b>Committee Chairmanships</b>
1	Shri Jitendra B. Jhaveri	Chairman Non Executive Director	4	1	-
2	Shri Rajesh Jhaveri	Managing Director	5	1	1
3	Shri Kamlesh Jhaveri	Whole Time Director	6	-	1
4	Shri Bhaderesh Jhaveri	Non- Executive Director	6	-	-
5.	Shri Kantilal N. Patel	Independent Director	-	1	-
6.	Shri Ashesh Trivedi	Independent Director	3	2	1
7.	Shri Bimal D. Mehta	Independent Director	1	-	-

## JHAVERI CREDITS & CAPITAL LIMITED

### (ii) Board Meetings held and attendance of Directors

During the Financial year 2013-14, Twelve Board Meetings were held on the following dates:

2 <sup>nd</sup> April, 2013	14 <sup>th</sup> August, 2013	02 <sup>nd</sup> December, 2013
30 <sup>th</sup> May, 2013	2 <sup>nd</sup> September, 2013	02 <sup>nd</sup> January, 2014
3 <sup>rd</sup> June, 2013	31 <sup>st</sup> October, 2013	02 <sup>nd</sup> February, 2014
02 <sup>nd</sup> July, 2013,	2 <sup>nd</sup> November, 2013	02 <sup>nd</sup> March, 2014

The Nineteenth Annual General Meeting was held on Saturday, 10<sup>th</sup> August, 2013.

**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 10.08.2013
1	Shri Jitendra B. Jhaveri	12	Yes
2	Shri Rajesh Jhaveri	12	Yes
3	Shri Kamlesh Jhaveri	12	Yes
4	Shri Bhadresh Jhaveri	12	Yes
5	Shri Kantilal N. Patel	10	Yes
6	Shri Ashesh Trivedi	12	Yes
7	Shri Bimal D. Mehta	04	No

### 3. Audit Committee

The Board has constituted an Audit Committee. There were four Audit Committee meetings held during the year April 2013 To March 2014 Viz. 30<sup>th</sup> May, 2013, 14<sup>th</sup> August, 2013, 31<sup>st</sup> October, 2013 and 13<sup>th</sup> February, 2014. The attendances 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.	4	4
2	Shri Kantilal N. Patel	Independent Non Executive Director	4	4
3	Shri Jitendra B. Jhaveri	Non Executive Director	4	4

The term of reference stipulated by the board to the Audit Committee are, as contained in clause 49 of the Listing agreement and Section 292 A of the Companies Act, 1956, major terms of reference, inter alia as follows

- a. Oversight of the company's financial reporting processes the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing Company's financial reporting process
- d. Reviewing with the management, Annual financial statement.
- e. Reviewing the Company's financial and risk management policies.
- f. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- g. Discussion with internal auditors any significant findings and follow up there on.
- H. Discussion with external auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

#### **4. Remuneration Committee**

The Company constituted the "Remuneration Committee" to recommend the Board of Directors, the composition and remuneration of Directors and senior Managerial Personnel.

#### **TERMS OF REFERENCES:**

The remuneration policy of the company is directed towards rewarding performance, based on periodic review of performance and achievements and is primarily based on the following criteria:

- a. Performance of the Company, its divisions and units.
- b. Track record, potential, personal attitude & performance of individual manager and external competitive environment.

#### **Composition and Attendance:**

The Remuneration committee meeting was held on 30<sup>th</sup> May'2013. The attendance of the remuneration committee as under:-

## JHAVERI CREDITS & CAPITAL LIMITED

Sr. No.	Name	Category	No. of Meetings	
			Held	Attended
1	Shri Ashesh Trivedi	Independent Non Executive Director Chairman of Audit Committee	1	1
2	Shri Kantilal N. Patel	Independent Non Executive Director	1	1
3	Shri Bimal D. Mehta	Independent Non Executive Director	1	1

### 5. Remuneration to Directors

Details of Remuneration paid to the Directors for the year ended 31<sup>st</sup> March, 2014.

Sr.No.	Name of the Director	Sitting Fees (including Committee Meetings )	Gross Remuneration*	Contribution to Provident and Superannuation funds
1	Shri Jitendra B. Jhaveri	6000	---	---
2	Shri Rajesh Jhaveri	---	1800000	144000
3	Shri Kamlesh Jhaveri	---	300000	---
4	Shri Bhaderesh Jhaveri	6000	---	---
5	Shri Kantilal N. Patel	---	---	---
6	Shri Ashesh Trivedi	2000	---	---
7	Shri Bimal Mehta	2000	---	---

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

### 6. Share Transfer /Shareholders' Grievance Committee

A Share Transfer/Shareholders' Grievance Committee takes care of matters relating to share transfers, transmission, issue of duplicate/consolidated/split share certificates etc. The Committee meets regularly to approve share transfers. This Committee also looks into the grievances, complaints and other issues concerning the shareholders / investors. The MCS Share Transfer Agents Ltd. Baroda are working as our R&T Agent of the Company. Committee receives the report from the R & T Agent regularly. There were four share Transfer / Shareholders' Grievance Committee meetings held during the year April 2013 To March 2014 Viz. 30<sup>th</sup> May, 2013, 14<sup>th</sup> August, 2013, 31<sup>st</sup> October, 2013 and 13<sup>th</sup> February, 2014.

## JHAVERI CREDITS & CAPITAL LIMITED

As on date the Committee comprises of three Directors.

No.	Name	Category
1	Shri Kamlesh J. Jhaveri	Chairman of Investor Grievance Committee
2	Shri Rajesh J. Jhaveri	Member & Compliance Officer
3	Shri Ashesh Trivedi	Member

### 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
2010-2011	26.09.2011	11.00 A.M.	301, Payal Tower-II, Sayajigunj, Vadodara-5
2011-2012	11.08.2012	11.00 A.M.	301, Payal Tower-II, Sayajigunj, Vadodara-5
2012-2013	10.08.2013	11.00 A.M.	301, Payal Tower-II, Sayajigunj, Vadodara-5

### 7. Code of Conduct

The Board of Director has laid down a Code of Conduct for all the Board Members and Senior Management of the Company to ensure adherence to a high ethical professional conduct by them in the discharge of their duties. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Year 2013-14

### 8. CEO/MD Certification

The requisite certification from CEO and CFO has been placed before the Board for consideration. **(Annexure III)**

### 9. Auditors' Certification on Corporate Governance:

As required by Clause 49 of the Listing Agreement, the Auditors' certification is provided elsewhere in the Annual Report. **(Annexure IV)**.

### 10. Disclosures

#### A) Basis of Related Party Transaction

Other than transactions entered into in the normal course of business for which necessary approvals are taken and disclosures made, the Company has not entered into any materially significant related party transactions (i.e. transactions of the Company of material nature) with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large. However, the Company has annexed the accounts a list of related parties as per Accounting Standard 18 and the transactions entered into with

**Accounting Treatment**

The Company has followed accounting treatment as prescribed in Accounting Standard applicable to the company.

**a) Risk Management**

The Company has risk assessment and minimization system in place. The risk management procedures are reviewed in the Board meetings.

**e) CEO CFO certification**

The requisite certification from CEO and CFO has been placed before the Board for consideration.

**f) Details of Non-compliance by the Company, Penalties and strictures imposed on the Company by Stock Exchanges or FMC, or any statutory authority, on any matter related to capital markets, during the last three years:-**

No instance of levy of duty by the stock exchange or FMC due to non - compliance by the company.

**g) The company has followed all the mandatory provisions of clause 49 with spirit of corporate governance and has initiated to follow some non mandatory requirement and looking forward positively in this regard.**

**11. Means of Communication**

- (i) The quarterly unaudited financial results are published in Business Standard in English and in Lok Satta in Gujarati language, respectively.
- (ii) The Management Discussion and Analysis Report prepared by the management and forming part of the Annual Report are separately attached.

**12. General Shareholder information**

**(i) Annual General Meeting:**  
Saturday, the 16<sup>th</sup> August, 2014 at 11.00 A.M. at 301, Payal Tower-II, Sayajigunj, Vadodara-390 020.

**(ii) Financial Calendar (tentative):**

Financial reporting for the quarter ending June 30 <sup>th</sup> , 2013.	1st Week of August, 2013
Financial reporting for the quarter ending Sept. 30 <sup>th</sup> , 2013.	1st Week of November, 2013
Financial reporting for the quarter ending Dec. 31 <sup>st</sup> , 2013	1st Week of February, 2014
Financial reporting for the quarter ending March, 31 <sup>st</sup> 2014.	Last week of May, 2014

**(iii) Date of Book Closure :**  
Friday, 8<sup>th</sup> August, 2014 to Friday, 15<sup>th</sup> August, 2014 (both days inclusive).

## JHAVERI CREDITS & CAPITAL LIMITED

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

(v) **Listing on Stock Exchanges:**

Bombay Stock Exchange Ltd, (BSE)  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai -400 001

Script Code: - 531550

The Company has paid Listing Fees for the financial year 2014-15 to the Stock Exchange.

(vi) **Market Price Data:**

**Scrp Code: 531550 Company:** Jhaveri Credits and Capital Limited

**Name of Stock Exchange:** Bombay Stock Exchange (BSE)

**For the Period:** 1<sup>st</sup> April, 2013 to 31st March, 2014

Month	High Price	Low Price	Volume
April, 2013	7.68	6.66	4,160
May, 2013	7.40	6.02	13,100
June, 2013	6.20	5.02	6,104
July, 2013	6.70	5.61	7,000
August, 2013	6.99	6.05	61,700
September, 2013	7.19	6.70	1,50,295
October, 2013	6.75	6.75	22,900
November, 2013	6.50	6.00	1,715
December, 2013	6.45	5.50	3,675
January, 2014	6.30	5.15	2,401
February, 2014	5.40	5.14	1,800
March, 2014	5.61	5.40	2,400

(vii) **Share Transfer System:**

The Company is now associated with the M/s. MCS Share Transfer Agents Ltd. Kolkata as its Registrar and Share Transfer Agent. The Company has a Share Transfer Committee comprising of three Directors. A shareholder may contact for any share transfer / demat related grievances and log on to [igc@jhaverisec.com](mailto:igc@jhaverisec.com)

**Registrar and Transfer Agents:-**

MCS Share Transfer Agents Ltd  
Neelam Apartment,  
88, Sampatrao Colony,  
B/h Standard Chartered Bank,  
Alkapuri, Baroda 390 007

## JHAVERI CREDITS & CAPITAL LIMITED

### (viii) Distribution of Shareholding as at 31<sup>st</sup> March,2014:

Category of Shareholders		
Category	No. of Shares	%
Promoters/ Promoters Group*	4069949	62.97
NRI's	-	-
Mutual Funds	-	-
Body Corporate	294365	4.55
Public	2098986	32.48
<b>Total</b>	<b>6463300</b>	<b>100.00</b>

\*Also includes group companies

### (ix) Dematerialization of Shares:

The Equity Shares of the Company are compulsorily traded in Dematerialized form. Out of total 64,63,300 Equity Shares, 59,24,500 shares (91.66 %) have been Dematerialized till 31.03.2014.

**ISIN No. : INE 865D01012**

### (x) Address for Correspondence by Shareholders:

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

Phone : (0265) 2362027, 2361096

Fax : (0265) 2362634

E-mail: igc@jhaverisec.com

### Other Non Mandatory Items:

- 1. Shareholders' Rights:** As the Company's quarterly results are published in English Newspaper and Gujarati Newspapers' i.e. Business Standard and Lok Satta, the same are not sent to the shareholders of the Company.
- 2. Audit Qualifications:** During the year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

**By Order of the Board of Directors**

**For Jhaveri Credits & Capital Ltd.**

**Place :Baroda.**

**Date : 30.05.2014**

**Rajesh J. Jhaveri**  
**Managing Director**  
**DIN NO. 00266182**

**ANNEXURE III**

**MANAGING DIRECTOR / CEO CERTIFICATION**

**To the Board of Directors of Jhaveri Credits and Capital Ltd.**

**(Issued in accordance with the provisions of Clause 49 of the Listing Agreement)**

I, Rajesh J. Jhaveri, Managing Director / Chief Executive Officer of Jhaveri Credits and Capital Ltd., to best of my knowledge and belief, certify that:

I have reviewed the financial statements, read with cash flow statement of Jhaveri Credits and Capital Ltd. for the year ended March 31, 2014 and that to the best of our knowledge and belief, we state that;

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading.
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting. I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (D) I have indicated to the Auditors and the Audit Committee:
  - (i) That there are no significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
  - (iii) that there are no frauds of which I become aware and the involvement therein, if any, of the management or an employee.

**For Jhaveri Credits & Capital Ltd.**

**Place: Vadodara  
Date:- 30.05.2014**

**Rajesh J. Jhaveri  
Managing Director  
DIN NO. 00266182**

**INDEPENDENT AUDITORS' REPORT**

**To the Members of Jhaveri Credits & Capital Limited  
Report on the Financial Statements**

We have audited the accompanying financial statements of Jhaveri Credits & Capital Limited ('the Company') which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Management is responsible for 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 Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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.

## JHAVERI CREDITS & CAPITAL LIMITED

- in the case of the Balance Sheet, of the State of affairs of the Company as at March 31, 2014; and
- in the case of the Statement of Profit and Loss, of the profit for the year ended on that date;
- In the case of Cash Flow Statement, of the cash flows for the year ended on that date;

### Report on Other Legal and Regulatory Requirements

1. As required by The Companies (Auditor's Report) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the Company as considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a Statement on the matters specified in paragraphs 4 and 5 of the said Order.

2. As required by section 227(3), we report that:

- We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- In our opinion proper books of account as required by law have been kept by the Company as far as appears from our examination of those books and proper returns have been received from all the branches not visited by us;

The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from branches not visited by us;

- In our opinion, the Balance Sheet, the Statements of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs).
- On the basis of written representations received from the directors of the Company and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

**For Mukund & Rohit  
Chartered Accountants  
Registration No. 113375W**

**Hemant Suthar  
Partner  
M. No. 107656**

**Place: Vadodara  
Date: 30.05.2014**

## JHAVERI CREDITS & CAPITAL LIMITED

### Annexure to the Auditors' Report

The Annexure referred to in our report to the members of Jhaveri Credits & Capital Limited ('the Company') for the year ended March 31, 2014, we report that:

- I. In respect of its Fixed Assets:
  - (a) The Company is in process of updating the records maintained by it, showing full particulars, including quantitative details and situation of fixed assets.
  - (b) In absence of Fixed Asset Register, it is not possible for us to comment on regular programme of physical verification of its fixed assets and its periodicity and discrepancies, if any.
  - (c) The Company has not disposed off any substantial part of its fixed assets during the year so as to affect its going concern.
- II. In respect of its Inventories:
  - (a) Since the Company hold inventory of shares in demate form, the question of commenting on physical verification of inventory does not arise.
  - (b) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- III.
  - (a) The company had granted loan to six parties covered in the register maintained under section 301 of the companies Act, 1956. The maximum amount involved during the year was Rs. 226.94 lacs and year end balance of the same is Rs. 9.99 lacs.
  - (b) The company had not taken loan any loan from parties covered in the Register maintained under section 301 of the companies Act, 1956.
  - (c) In our opinion, the rate of interest and other terms and conditions are not prima facie prejudicial to the interest of the Company.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weaknesses have been noticed in the internal control system.
- V. According to the information and explanations given to us,
  - (a) We are of the opinion that transactions that need to be entered into a register in pursuance of section 301 of the Act have been so entered;
  - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- VI. Based on our scrutiny of the Company's records and according to the information and explanations provided by the management, in our opinion, the company has not accepted any loans or deposit which are 'deposits' within the meaning of Rule 2(b) of the Companies (Acceptance of Deposit's) Rules, 1975.

## JHAVERI CREDITS & CAPITAL LIMITED

- VII. In our opinion, the Company has adequate internal audit systems commensurate with the size and nature of its business.
- VIII. The Company belongs to Service Sector industry therefore clause 4 (VIII) is not applicable.
- IX. According to the information and explanation given to us in respect of statutory dues:
- (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth-tax and other statutory dues applicable to it.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth-tax and sales tax were outstanding, as at 31st March, 2014 for a period of more than six months from the date they became payable.
  - (c) According to the information and explanation given to us, there are no dues of sales tax, income tax, wealth tax, customs duty, excise duty and cess and any other statutory dues, which have not been deposited on account of any dispute.
- X. The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- XI. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company had not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- XII. According to information and explanations given to us and based on the documents and records produced to us, the Company has not granted any Loans and Advances on the basis of security by way of pledge of shares, debentures & other securities.
- XIII. In our opinion, the Company is neither a chit fund nor a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of Companies (Auditor's Report) Order, 2003 (as amended) are not applicable.
- XIV. The Company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name.
- XV. According to information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- XVI. According to the records of the company, the Company has not obtained any term loans. Hence, comments under the clause are not called for.
- XVII. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on

**JHAVERI CREDITS & CAPITAL LIMITED**

short-term basis have been used for long-term purposes.

- XVIII. Based on our examination of records and information provided to us by management, we report that the company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- XIX. According to records of the Company, the Company has not issued any debentures.
- XX. The Company has not raised money by public issues during the period covered by our audit report.
- XXI. Based on the audit procedure performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For Mukund & Rohit  
Chartered Accountants  
Registration No. 113375W**

**Place : Vadodara  
Date : 30.05.2014**

**Hemant Suthar  
Partner  
M. No. 107656**

**Annexure IV**

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**To,  
The Members  
Jhaveri Credits & Capital Limited.  
Vadodara.**

We have examined the compliance of conditions of Corporate Governance by **Jhaveri Credits & Capital Limited** for the financial year 2013-14, as stipulated in Clause 49 of Listing Agreement entered into by the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

We state that no grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company and presented to the Shareholders/Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Mukund & Rohit  
Chartered Accountants  
Registration No. 113375W**

**Place : Vadodara  
Date : 30.05.2014**

**Hemant Suthar  
Partner  
M. No. 107656**

## JHAVERI CREDITS & CAPITAL LIMITED

Balance Sheet As at 31st March, 2014

Particulars	Note No.	As at 31.03.2014 ₹	As at 31.03.2013 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	64,633,000	64,633,000
(b) Reserves & Surplus	4	17,137,608	14,633,917
<b>(2) Share Application Money pending allotment</b>			
-			
<b>(3) Non-Current liabilities</b>			
(a) Long Term Borrowings	5	276,799	397,485
(b) Deferred Tax liabilities (Net)	28	160,941	194,464
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings	6	4,489,245	8,499,461
(b) Trade Payables	7	22,188,433	32,085,103
(c) Other Current Liabilities	8	25,151,559	48,994,626
(d) Short-Term Provisions	9	2,993,032	2,593,032
<b>Total</b>		<b>137,030,617</b>	<b>172,031,088</b>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Fixed Assets	10	1,999,491	2,834,572
Tangible Assets		-	-
(b) Non-current Investments	11	18,215,200	18,215,200
(d) Long Term Loans and Advances	12	3,223,630	5,998,547
-			
<b>(2) Current Assets</b>			
(a) Inventories	13	6,881,490	58,041,335
(b) Trade Receivables	14	65,828,728	31,497,844
(c) Cash and Cash Equivalents	15	33,467,535	49,615,748
(d) Short-Term Loans and Advances	16	26,780	42,216
(e) Other Current Assets	17	7,387,763	5,785,626
<b>Total</b>		<b>137,030,617</b>	<b>172,031,088</b>
<b>Significant Accounting Policies</b>	2		
<b>Notes to Accounts</b>		1 to 30	
<b>As per our Report of even date attached</b>			
<b>For MUKUND &amp; ROHIT</b>		<b>For &amp; on behalf of the Board</b>	
<b>Chartered Accountants</b>		<b>Jhaveri Credits &amp; Capital Limited</b>	
<b>Registration No. 113375W</b>			
<b>Hemant Suthar</b>		<b>Rajesh J. Jhaveri</b>	<b>Kamlesh J. Jhaveri</b>
<b>Partner</b>		<b>Managing Director</b>	<b>Director</b>
<b>M. No: 107656</b>		<b>DIN NO. 00266182</b>	<b>DIN NO. 00266242</b>
<b>Place: Vadodara</b>		<b>Place: Vadodara</b>	
<b>Date: 30.05.2014</b>		<b>Date: 30.05.2014</b>	

## JHAVERI CREDITS & CAPITAL LIMITED

Statement of Profit & Loss for the year ended as on 31st March, 2014

		Note No.	2013-14 Amount ₹	2012-13 Amount ₹
I Revenue from Operations		18	27,735,673	39,946,048
II Other Income		19	4,448,914	8,212,528
<b>III Total Revenue (I + II)</b>			<b>32,184,587</b>	<b>48,158,576</b>
<b>IV Expenses:</b>				
Purchases of Stock-in-Trade			3,380,428	12,062,826
Employee benefits expense		20	6,725,926	7,284,206
Finance costs		21	1,025,310	3,756,046
Depreciation and amortization expense			392,013	586,951
Other expenses		22	16,852,903	21,740,458
<b>Total expenses</b>			<b>28,376,581</b>	<b>45,430,486</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>			<b>3,808,006</b>	<b>2,728,090</b>
VI. Exceptional Items			-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>			<b>3,808,006</b>	<b>2,728,090</b>
VIII. Extraordinary Items			-	-
<b>IX. Profit before tax (VII- VIII)</b>			<b>3,808,006</b>	<b>2,728,090</b>
<b>X Tax expense:</b>				
(1) Current tax			1,200,000	850,000
(2) Deferred tax			(33,523)	159,446
(3) Short/Excess Prov.of the Income Tax For P.Y.			137,837	-
<b>XI Profit (Loss) for the period from continuing operations (IX-X)</b>			<b>2,503,692</b>	<b>2,037,536</b>
XII Profit/(loss) from discontinuing operations			-	-
XIII Tax expense of discontinuing operations			-	-
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>			<b>-</b>	<b>-</b>
<b>XV Profit (Loss) for the period (XI + XIV)</b>			<b>2,503,692</b>	<b>2,037,536</b>
<b>XVI Earnings per equity share:</b>				
(1) Basic			0.39	0.32
(2) Diluted			-	-
<b>Significant Accounting Policies</b>		2		
<b>Notes to Accounts</b>		1 to 30		
As per our Report of even date attached				
<b>For MUKUND &amp; ROHIT</b>		<b>For &amp; on behalf of the Board</b>		
<b>Chartered Accountants</b>		<b>Jhaveri Credits &amp; Capital Limited</b>		
<b>Registration No. 113375W</b>				
<b>Hemant Suthar</b>		<b>Rajesh J. Jhaveri</b>		
<b>Partner</b>		<b>Managing Director</b>		
<b>M. No: 107656</b>		<b>DIN NO. 00266182</b>		
<b>Place: Vadodara</b>		<b>Place: Vadodara</b>		
<b>Date: 30.05.2014</b>		<b>Date: 30.05.2014</b>		
		<b>Kamlesh J. Jhaveri</b>		
		<b>Director</b>		
		<b>DIN NO. 00266242</b>		

## JHAVERI CREDITS & CAPITAL LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	For the Year ended 31-3-2014	For the Year ended 31-3-2013
	₹	₹
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / Loss before Tax & Extra ordinary items:	3,808,006	2,728,090
<b>Adjustments For:</b>		
Depreciation & Amortisation Expense	392,013	586,951
Interest Expenses	499,981	2,934,742
Interest Income	(2,796,985)	(6,540,696)
<b>Operating Profit Before Working Capital Changes</b>	<b>1,903,015</b>	<b>(290,914)</b>
<b>Adjustments For:</b>		
Trade Receivables and Short-term Loans and Advances	(34,315,448)	(21,135,045)
Inventories	51,159,845	39,258,804
Other Current Assets	(1,602,137)	408,000
Trade Payables, Other Current Liabilities and Short Term Provisions	(33,339,737)	12,855,907
Long-term Loans and Advances and Other Non-current Assets	2,774,917	(2,544,547)
Other Long-term Liabilities and Long-term Provisions	(33,523)	(159,446)
	<b>(15,356,082)</b>	<b>28,683,672</b>
<b>Cash Generated From Operations</b>	<b>(13,453,068)</b>	<b>28,392,759</b>
Income Tax Paid	1,304,314	690,554
<b>Net Cash From Operating Activities</b>	<b>(14,757,382)</b>	<b>27,354,566</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	(658,901)
Sale of Fixed Assets	443,069	
Interest Income	2,796,985	6,540,696
<b>Net Cash From Investing Activities</b>	<b>3,240,054</b>	<b>5,881,795</b>
<b>C) CASH FLOW FINANCING ACTIVITIES</b>		
Repayment of Long term Borrowings	(120,686)	(10,479)
(Increase) / Decrease in Short-term Borrowings	(4,010,216)	(13,922,688)
Finance Cost	(499,981)	(2,934,742)
<b>Net Cash From Financing Activities</b>	<b>(4,630,883)</b>	<b>(16,867,909)</b>
<b>Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(16,148,211)</b>	<b>16,368,452</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>49,615,748</b>	<b>33,247,295</b>
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>33,467,535</b>	<b>49,615,748</b>
<b>Notes to Accounts</b>		
As per our Report of even date attached		
<b>For MUKUND &amp; ROHIT</b> Chartered Accountants Registration No. 113375W	<b>For &amp; on behalf of the Board</b> Jhaveri Credits & Capital Limited	
<b>Hemant Suthar</b> Partner M. No: 107656 Place: Vadodara Date: 30.05.2014	<b>Rajesh J. Jhaveri</b> Managing Director DIN NO. 00266182 Place: Vadodara Date:- 30.05.2014	<b>Kamlesh J. Jhaveri</b> Director DIN NO. 00266242

**Notes to Financial Statements for the year ended on March 31, 2014**

**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). The Company is able to its brand name in the eyes of the clients and exchanges.

**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 generally accepted accounting principals and provisions of the Companies Act, 1956 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 estimated are recognized in the period in which the results are known /materialized.

**2.3 Fixed Assets:**

Fixed Assets are stated at cost of acquisition, which included taxes, duties, freight and other identifiable expenditure relating to acquisition and installation as well as subsequent improvement.

**2.4 Depreciation and Amortization:**

- i The depreciation has been charged at W D V method on prorated basis as per rates prescribed in schedule XIV of the Companies Act, 1956.
- ii Depreciation on additions is provided on pro-rata basis.

**2.5 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.

**2.6 Inventories:**

Inventories of the shares & securities are valued at cost.

**2.7 Revenue Recognition:**

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

**2.8 Provision for current and Deferred Tax:**

Income tax expense for the year comprises of current tax and deferred tax. Current tax provision is based 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.

**2.9 Treatment of Contingent Liabilities :**

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

## JHAVERI CREDITS & CAPITAL LIMITED

Notes Forming Part of the Balance Sheet as at 31st March, 2014

### Note 3: Share Capital

#### a. Details of Each class of shares

Particulars	As At 31.03.2014		As At 31.03.2013	
	No. of Shares	Amount ₹	No. of Shares	Amount ₹
<b>Share Capital</b>				
<b>1 Authorised Capital:</b>				
Equity shares of Rs. 10/- each	7,000,000	70,000,000	7,000,000	70,000,000
Preference shares of Rs. 10/- each	3,000,000	30,000,000	3,000,000	30,000,000
	<b>10,000,000</b>	<b>100,000,000</b>	<b>10,000,000</b>	<b>100,000,000</b>
<b>2 Issued Subscribed &amp; fully paid-up Capital:</b>				
Equity shares of Rs. 10/- each	6,463,300	64,633,000	6,463,300	64,633,000
<b>Total</b>	<b>6,463,300</b>	<b>64,633,000</b>	<b>6,463,300</b>	<b>64,633,000</b>

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

Particulars	As At 31.03.2014		As At 31.03.2013	
	No. of Shares	Amount ₹	No. of Shares	Amount ₹
<b>Equity Shares:</b>				
Shares Outstanding at the beginning of the year	6,463,300	64,633,000	6,463,300	64,633,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement	-	-	-	-
Shares outstanding at the end of the year	<b>6,463,300</b>	<b>64,633,000</b>	<b>6,463,300</b>	<b>64,633,000</b>

#### c. Rights, preferences and restrictions:

- i. The Company has only one class of shares referred to as equity shares having par value of ` 10. Each holder of equity shares is entitled to one vote per share.
- ii. 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 31.03.2014		As At 31.03.2013	
	No. of Shares	% of Holding	No. of Shares	% of Holding
1 Rajesh J. Jhaveri	324,000	5.01	324,000	5.01
2 Kamlesh J. Jhaveri	415,021	6.42	415,021	6.42
3 K. J. Jhaveri HUF	1,347,819	20.85	1,287,819	19.92
4 Bhaderesh J. Jhaveri	345,100	5.34	345,100	5.34
<b>Total</b>	<b>2,431,940</b>	<b>37.62</b>	<b>2,371,940</b>	<b>36.69</b>

## JHAVERI CREDITS & CAPITAL LIMITED

### Notes Forming Part of the Balance Sheet as at 31st March, 2014

#### Note 4: Reserves & Surplus

Particulars		31.03.2014 ₹	31.03.2013 ₹
<b>1</b>	<b>General Reserve</b>		
	Opening balance	2,380,147	2,380,147
	Add: Transferred from the Special Reserve	-	-
	Less: Written back in current year	-	-
	Closing Balance (B)	<b>2,380,147</b>	<b>2,380,147</b>
<b>2</b>	<b>Surplus / (deficit) in the statement of Profit and Loss</b>		
	Balance as per last financial Statements	12,253,770	10,216,234
	Net Profit/(Loss) for the year	2,503,692	2,037,536
	Closing Balance (C)	<b>14,757,461</b>	<b>12,253,770</b>
	<b>TOTAL(A+B+C)</b>	<b>17,137,608</b>	<b>14,633,917</b>

#### Note 5: Long Term Borrowings

Particulars		31.03.2014 ₹	31.03.2013 ₹
<b>1</b>	<b>Secured:</b>		
	Kotak Mahindra Bank Ltd. ( Secured Against the Hypothecation of Vehicles) (Refer Note No. 5.1)	276,799	397,485
	<b>TOTAL</b>	<b>276,799</b>	<b>397,485</b>

Note 5.1 :- Loan to be repaid after 12 months from the date of Balance sheet date is shown under the other current liabilities as current maturities of long term borrowings in note no. 8.

#### Note 6: Short Term Borrowings

Particulars		31.03.2014 ₹	31.03.2013 ₹
	<b>Secured:</b>		
	Bank Overdraft with HDFC Bank ( Secured by The Fixed Deposit)	4,489,245	4,353,075
	Capital First Ltd. ( Previously Known as Future Capital Holding Ltd.) ( Secured by pledge of Equity Shares)	-	4,146,386
	<b>TOTAL</b>	<b>4,489,245</b>	<b>8,499,461</b>

## JHAVERI CREDITS & CAPITAL LIMITED

### Note 7: Trade Payables

Particulars		31.03.2014 ₹	31.03.2013 ₹
	Dues To Micro Small Medium Enterprises	-	-
	Sundry Creditors	22,188,433	32,085,103
<b>TOTAL</b>		<b>22,188,433</b>	<b>32,085,103</b>

Note:

Based on the informations 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, 2014.

### Note 8: Other Current Liabilities

Particulars		31.03.2014 ₹	31.03.2013 ₹
<b>1</b>	<b>Current maturities of Long Term debt</b>		
	<b>Vehicle Loan</b>		
	Kotak Mahindra Prime Ltd.	-	364,985
	Kotak Mahindra Bank Ltd. ( Refer Note 5.1)	120,686	106,828
<b>2</b>	<b>Govt. Liabilities</b>		
	P.F. Payable	71,684	73,689
	TDS Payable	222,096	535,482
	Professional Tax Payable	2,630	3,060
	Stamp Duty Payable	-	43,725
	ESIC Payable	3,256	5,348
<b>3</b>	<b>Other Payables</b>		
	Other Liabilities		
	- Advances from Customers	24,730,707	47,371,131
	- Other Advances	500	490,378
<b>TOTAL</b>		<b>25,151,559</b>	<b>48,994,626</b>

### Note 9: Short Term Provisions

Particulars		31.03.2014 ₹	31.03.2013 ₹
	Income Tax Provision		
	- Income Tax Provision	2,993,032	2,593,032
<b>TOTAL</b>		<b>2,993,032</b>	<b>2,593,032</b>

**JHAVERI CREDITS & CAPITAL LTD.  
Note 10  
FIXED ASSETS FOR THE YEAR ENDED ON 31.03.2014**

Particulars	Rate	GROSS BLOCK - AT COST			DEPRECIATION /AMORTISATION			NET BLOCK			
		As at April 1, 2013	Additions	Deduction/ Adjustments	As at March 31,2014	Up to April 1,2013	For the year	Deduction	Up to March 31,2014	As at March 31,2014	As at March 31,2013
Office Building	5%	1,796,717	-	-	1,796,717	844,492	47,611	-	892,103	904,614	952,225
Furniture & Fixtures	18%	1,223,620	-	-	1,223,620	1,154,837	12,450	-	1,167,287	56,333	68,783
Computer Equipment	40%	3,240,417	-	-	3,240,417	2,949,686	116,292	-	3,065,978	174,439	290,731
Office Equipments	18%	60,608	-	-	60,608	50,844	1,767	-	52,612	7,996	9,764
Vehicles	26%	2,400,513	-	1,129,981	1,270,532	887,442	213,892	686,912	414,422	856,110	1,513,070
<b>Total</b>		<b>8,721,875</b>	<b>-</b>	<b>1,129,981</b>	<b>7,591,894</b>	<b>5,887,303</b>	<b>392,013</b>	<b>686,912</b>	<b>5,592,404</b>	<b>1,999,491</b>	<b>2,834,572</b>
<b>Previous Year</b>		<b>8,062,974</b>	<b>658,901</b>	<b>-</b>	<b>8,721,875</b>	<b>5,300,352</b>	<b>586,951</b>	<b>-</b>	<b>5,887,303</b>	<b>2,834,572</b>	<b>2,762,622</b>

**JHAVERI CREDITS & CAPITAL LIMITED**

**Note 11: Non Current Investments**

Particulars		31.03.2014 ₹	31.03.2013 ₹
<b>1 Trade Investments</b>			
	Shares of Makarpura Co-op Bank ( 5000 shares of Rs. 10/- Each)	50,000	50,000
<b>2 In Equity Shares of Associate Companies (Unquoted)</b>			
	Jhaveri Securities Ltd. ( 74150 Share of Rs. 10/- Each)	7,415,000	7,415,000
	Jhaveri Hightech Agro Ltd. ( 945020 Share of Rs. 10/- Each)	9,450,200	9,450,200
	Maulik Kruti Resources Ltd. ( 130000 Share of Rs. 10/- Each)	1,300,000	1,300,000
<b>TOTAL</b>		<b>18,215,200</b>	<b>18,215,200</b>

**Note 12: Long Term Loans & Advances**

Particulars		31.03.2014 ₹	31.03.2013 ₹
<b>1 Security Deposit</b>			
	Telephone Deposit	10,000	-
	Rent Deposit	44,000	44,000
	Deposit With the Exchange	1,000,000	3,410,000
<b>2 Unsecured, Considered good</b>			
	Advance Income Tax	2,169,630	2,544,547
<b>TOTAL</b>		<b>3,223,630</b>	<b>5,998,547</b>

**Note 13: Inventories**

Particulars		31.03.2014 ₹	31.03.2013 ₹
	Stock in trade	6,881,490	58,041,335
<b>TOTAL</b>		<b>6,881,490</b>	<b>58,041,335</b>

## JHAVERI CREDITS & CAPITAL LIMITED

### Note 14: Trade Receivables

Particulars		31.03.2014 ₹	31.03.2013 ₹
1	<b>Outstanding for More than Six months</b> Unsecured, Considered Good :	19,608,038	873,793
	<b>SUB TOTAL(A)</b>	<b>19,608,038</b>	<b>873,793</b>
2	<b>Others</b> Unsecured, Considered Good : (Refer Note No. 25)	46,220,690	30,624,051
	<b>SUB TOTAL(B)</b>	<b>46,220,690</b>	<b>30,624,051</b>
	<b>TOTAL (A+B)</b>	<b>65,828,728</b>	<b>31,497,844</b>

### Note 15: Cash & Cash Equivalents

Particulars		31.03.2014 ₹	31.03.2013 ₹
1	Balance With Banks	11,496,387	16,669,857
2	Cash on hand	25,869	4,882
3	Fixed Deposit with Banks (Refer Note No. 15.1)	21,945,279	32,941,009
	<b>TOTAL</b>	<b>33,467,535</b>	<b>49,615,748</b>

Note 15.1 :- Fixed Deposits are against Bank Guarantee and Overdraft Facility availed by the Company and the same having remaining maturity of less than one year

### Note 16: Short Term Loans & Advances

Particulars		31.03.2014 ₹	31.03.2013 ₹
	<b>Balances With Government Authorities</b>		
	VAT Credit Receivable	5,589	5,612
	Service Tax Credit Receivable	21,192	36,604
	<b>TOTAL</b>	<b>26,780</b>	<b>42,216</b>

### Note 17: Other Current Assets

Particulars		31.03.2014 ₹	31.03.2013 ₹
	Interest Accrued but not Due on Fixed Deposit	290,527	668,891
	Deposit With the Exchange	6,500,000	5,000,690
	Advance Recoverable in Cash or Kind	597,236	116,045
	<b>TOTAL</b>	<b>7,387,763</b>	<b>5,785,626</b>

**JHAVERI CREDITS & CAPITAL LIMITED**

**Notes :**

**Forming Part of the Profit & Loss Statement for the year ended as on 31st March, 2014**

**Note 18: Revenue From Operations**

Particulars		31.03.2014 ₹	31.03.2013 ₹
	Brokerage Income	26,152,834	26,906,219
	Income From Share Trading	1,582,839	13,039,829
	<b>TOTAL</b>	<b>27,735,673</b>	<b>39,946,048</b>

**Note 19: Other Income**

Particulars		31.03.2014 ₹	31.03.2013 ₹
1	Interest Income (TDS Rs. 2,31,080 /-, And in P.Y. of Rs.6,74,971/-)	2,796,985	6,540,696
2	Dividend Income	12,048	6,000
3	Other non - operating income	1,639,881	1,665,832
	<b>TOTAL</b>	<b>4,448,914</b>	<b>8,212,528</b>

**Note 20: Employee Benefit Expenses**

Particulars		31.03.2014 ₹	31.03.2013 ₹
	<b>Salaries and Wages</b>		
	Director's Remunerations	2,100,000	2,100,000
	Salaries and Wages	4,182,828	4,702,487
	Contribution to :-		
	Providend Fund	406,611	435,865
	ESIC Contribution	36,487	45,854
	<b>TOTAL</b>	<b>6,725,926</b>	<b>7,284,206</b>

**Note 21: Finance Cost**

Particulars		31.03.2014 ₹	31.03.2013 ₹
1	Interest expense	499,981	2,934,742
2	Other Borrowing Cost	525,330	821,304
	<b>TOTAL</b>	<b>1,025,310</b>	<b>3,756,046</b>

**JHAVERI CREDITS & CAPITAL LIMITED****Note 22: Other Expenses**

<b>Particulars</b>		<b>31.03.2014</b>	<b>31.03.2013</b>
		<b>₹</b>	<b>₹</b>
<b>1</b>	Commision	10,523,978	12,656,239
<b>2</b>	Insurance	49,650	17,405
<b>3</b>	Legal & Professional Fees	233,630	676,954
<b>4</b>	Postage and Courier	328,993	646,413
<b>5</b>	Printing & Stationery	7,682	277,623
<b>6</b>	Rent, Rates and Taxes	1,113,883	894,051
<b>7</b>	Repairs and Maintainence	711,211	744,866
<b>8</b>	Telephone and Communication Expenses	306,375	287,742
<b>9</b>	Trade Related Expenses	3,066,663	4,719,466
<b>10</b>	Payment to Auditors	150,000	150,000
<b>11</b>	Loss on sale of Fixed Asset	18,069	-
<b>12</b>	Electricity Expenses	90,949	199,016
<b>13</b>	Miscellaneous Expenses	251,821	470,683
<b>TOTAL</b>		<b>16,852,903</b>	<b>21,740,458</b>

**NOTE 23 Contingent Liabilities and Commitments:**

**23.1 Contingent Liabilities:**

Particulars	As at March 31, 2014	As at March 31, 2013
I. Matters under disputes / appeals:		
a. Income Tax [Amount deposited Rs. 1,00,000/-]	NIL	3,95,960/-
II. Bank Guarantees	3,32,50,000/-	5,00,00,000/-
<b>Total</b>	<b>3,32,50,000/-</b>	<b>5,03,95,960/-</b>

**23.2 Commitments:**

I. Related to Contracts: Nil

II. Other Commitments: Interest on vehicle loan of Rs. 42,094/-

**NOTE 24 Earning Per Shares (EPS):**

Particulars		For the Year ended March 31, 2014	For the Year ended March 31, 2013
Net Profit after tax as per Profit and Loss accounts attributable to Equity Shareholders	<b>Rs.</b>	<b>25,03,692</b>	<b>20,37,536</b>
Weighted Average number of equity shares used as denominator for calculating EPS	<b>Numbers</b>	<b>64,63,300</b>	<b>64,63,300</b>
Basic Earnings Per Share	<b>Rs.</b>	<b>0.39</b>	<b>0.32</b>
Face Value per equity Share	<b>Rs.</b>	<b>10</b>	<b>10</b>

**NOTE 25 Related Party Disclosures**

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

## JHAVERI CREDITS & CAPITAL LIMITED

**(A) Relationships:**

(a) Associates:

JhaveriHightech Agro Limited.  
Jhaveri Securities Limited.  
Connoisseur Techno Solutions Private Limited

(b) Key Management Personnel

Mr. Rajesh J. Jhaveri  
Mr. Kamlesh J. Jhaveri

(c) 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
S. J. Jhaveri	Relative of Director
K. J. Jhaveri HUF	Karta is a Director of the Company
ParthJhaveri	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
BelaJhaveri	Relative of Director
Karan Jhaveri	Relative of Director
Jhaveri Dairy Farm	Partner is a Director of the Company
Jhaveri Organic Farm	Partner is a Director of the Company

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

**JHAVERI CREDITS & CAPITAL LIMITED**

**(B) Transactions carried out with related parties referred in 1 above, in ordinary course of business:**

Sr. No.	Nature of Transaction	Associates	Key Management Personnel	Relatives of Key Management personnel	Total
<b>Unsecured Loans :</b>					
1	ICD Placed during year	17,146,040	-	-	17,146,040
2	ICD Refunded during the year	17,146,040	-	-	16,147,057
3	Loans Given	52,36,000	-	3,12,240	55,48,240
4	Loans Refunded	52,36,000	-	3,12,240	52,36,000
<b>Expenses</b>					
1	Rent	-	-	3,60,000	3,60,000
2	Website Maintenance& SMS Charges	4,32,000	-	-	4,32,000
3	Remuneration	-	21,00,000	-	21,00,000
4	Salary	-	-	15,21,000	15,21,000
5	Performance Incentive	-	2,00,000	3,000	2,03,000
6	Office Expense	-	-	8,750	8,750
7	Business Development	-	-	14,750	14,750
8	Travelling Expense	-	-	17,400	17,400
9	Conveyance Expense	-	-	6,500	6,500
<b>Income</b>					
1	Rent	120,000	-	-	120,000
2	Interest	6,53,289	-	-	6,53,289
3	Sales	-	-	31,41,017	31,41,017
<b>Share Trading</b>					
1	Purchase of Shares	-	-	-	-
	Jhaveri Securities Limited	89,59,550	-	-	-
2	Sale of Shares	-	-	-	-
	Jhaveri Securities Limited	3,43,19,712	-	-	-

**NOTE 26**

The outstanding balances of Debtors, Creditors, Deposits and Loans & Advances are subject to confirmation.

**NOTE 27**

In compliance of AS 28 on Impairment of Assets issued by Institute of Chartered Accountants of India the Company has carried out impairment review of its assets. Loss on impairment of assets charged to the P & L. A/c is Rs: NIL (previous year Rs. Nil)

**NOTE 28****Deferred Tax Liabilities**

<b>Particulars</b>	<b>As on 31.03.2013 (Amount in Rs.)</b>	<b>During the Year (Amount in Rs.)</b>	<b>As on 31.03.2014 (Amount in Rs.)</b>
Fixed Assets	1,94,464	(33,523)	1,60,941
<b>Total</b>	<b>1,94,464</b>	<b>(33,523)</b>	<b>1,60,941</b>

**NOTE 29**

In the opinion of the Board:

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

**NOTE 30**

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 disclosers relating to the current year.

**For MUKUND & ROHIT**  
**Chartered Accountants**  
**Firm Registration No.-113375W**

**For and Behalf of the Board of**  
**Jhaveri Credits & Capital Ltd**

**Hemant Suthar**  
**Partner**  
**M. No. 107656**

**Rajesh J. Jhaveri**  
**Managing Director**  
**DIN NO. 00266182**

**Kamlesh J. Jhaveri**  
**Director**  
**DIN NO. 00266242**

**Place: Vadodara**  
**Date : 30.05.2014**

**Place: Vadodara**  
**Date : 30.05.2014**

**JHAVERI CREDITS & CAPITAL Limited**

**JHAVERI CREDITS & CAPITAL LIMITED**

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

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

DP ID	
Client ID	

Regd. Folio No.	
-----------------	--

**NAME AND ADDRESS OF THE SHAREHOLDER**

No. of Shares held :

I hereby record my presence at the 20th Annual General Meeting of the Company held on Saturday, the 16th day of August, 2014 at 11.00 a.m. at 301, Payal Tower-II, Sayajigunj, Vadodara-390 005

**Signature of the Shareholder/Proxy :**

.....

**JHAVERI CREDITS & CAPITAL LIMITED**

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

DP ID	
Client ID	

Regd. Folio No.	
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I/We \_\_\_\_\_ of \_\_\_\_\_ being the member/members of Jhaveri Credits & Capital Limited, Baroda hereby appoint \_\_\_\_\_ off \_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to attend and vote for me/us and on my/our behalf at the 20th Annual General Meeting of the Company to be held on 16th day of August, 2014 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

Affix 1 Rupees Revenue Stamp
------------------------------------

**Note :**

The proxy in order to be effective should be duly stamped completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.