

JHAVERI CREDITS & CAPITAL LIMITED

15TH ANNUAL REPORT

2008-2009

JHAVERITM
COMMODITIES

Let's Grow Together

15th ANNUAL REPORT (2008-09)

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

AUDITORS : Mukund & Rohit
Chartered Accountant
No. 8, 2ND Floor, Tower E
Avishkar, Old Padra Road
Vadodara-390007.

REGISTERED OFFICE : 301, Payal Tower - II,
Sayajigunj,
Vadodara-390 005
Gujarat.

NOTICE FOR ANNUAL GENERAL MEETING

NOTICE is hereby given that the 15th Annual General Meeting of the Members of the Company will be held on Tuesday, the 1st day of September, 2009 at 11.00 a.m. at 301, PAYAL TOWER II, SAYAJIGUNJ, VADODARA-390005 to transact the following business:

- To receive, consider and adopt the Audited Balance Sheet and the Profit & Loss Account for the year ended 31st March, 2009 along with Auditors' and Directors' Report thereon.

2.	To appoint a Director in place of Mr. Kantilal N. Patel, who retires by rotation and being eligible offers himself for re-appointment.	
3.	To appoint a Director in place of Mr. Ashesh J. Trivedi, who retires by rotation and being eligible offers himself for re-appointment.	
4.	To appoint the Auditors and to fix their remuneration.	
Regd. Office : 301 Payal Towers-II, Sayajigunj, Vadodra-390 005. Date July 2009		By order of the Board, For JHAVERI CREDITS & CAPITAL LTD. RAJESH J. JHAVERI MANAGING DIRECTOR

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT A PROXY NEED NOT BE A MEMBER.
- The Register of Members and the Share Transfer Books will remain closed from Thursday, the 27th August 2009, to Tuesday, the 1st September, 2009 (both days inclusive).
- As a means of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copy of the Annual Report alongwith admission slip while attending the Annual Meeting.
- As required under Clause 49(VI) (A) of the Listing Agreement with the Stock Exchanges, information is provided in the Annual Report in respect of Director proposed to be appointed/ re-appointed.

DIRECTORS' REPORT

To,
The Members
Jhaveri Credits and Capital Ltd.
Baroda.

The Directors of your Company present to you the 15th Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2009.

FINANCIAL PERFORMANCE

(Rs. in lacs)

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
Operational Income	130.13	190.08
Total Expenditure	96.27	161.55
Operating Profit	33.86	28.53
Interest & Finance Charges	1.09	1.80
Gross Profit/ (Loss) for the year	32.77	26.73
Depreciation	3.80	4.38
Profit / (Loss) for the year	28.97	22.35
Less: Provision for Taxation	8.50	7.55
Less: Deferred Tax Liability	0.10	4.41
Profit after Tax	20.37	10.39
Transfer to Special General Reserve (u/s 45-IC)	4.07	2.96
Balance carried forward to Balance Sheet	16.30	7.43

DIVIDEND

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

REVIEW OF OPERATIONS

The income for the year under review has been lower at Rs 110.18 lacs against the previous year's Rs. 179.16 lacs. However the company was able to generate other income and thereby was able to improve upon the bottom line. The net profit for the year ended 31-03-2009 was Rs 20.37 lacs compared to Rs10.39 lacs in the previous year. The company is giving special focus on the commodities broking business and expects higher volumes in the year 2009-10.

BUSINESS PROSPECTS

The performance of the Company has been improved in the area of Commodities Broking during the year on NCDEX and MCX Exchanges. The company is exploring the developmental activities at large scale by deploying Dealers, Franchises, and Terminals etc.. Your Company is also focusing on non-fund based activities to improve its financial performance in the coming years.

FIXED DEPOSITS

The Company is not accepting public deposits. The amount of unclaimed deposits as on 31st March, 2009 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 31st March, 2009.
- 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 Kantilal N. Patel and Shri Ashesh J. Trivedi, directors 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

M/s. Mukund & Rohit, Chartered Accountants, Baroda, the Auditors of the company hold the office until the conclusion of ensuing Annual General Meeting, and are eligible for reappointment. You are requested to appoint the Statutory Auditors for 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.

SUBSIDIARY COMPANY

The Audited Accounts of Jhaveri High-tech Agro Limited (subsidiary company) for the year ended 31-03-2009, together with the Directors report are attached to the Accounts pursuant to the provisions of Section 212 of the Companies Act, 1956.

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

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

PARTICULARS OF EMPLOYEES

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

APPRECIATION

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

By Order of the Board of Directors

For Jhaveri Credits & Capital Ltd.

**Place : Baroda.
Date : 20th July, 2009**

**Rajesh J. Jhaveri
Managing Director**

ANNEXURE I

Management Discussion and Analysis Report

Overall Review

Due to the deteriorating global outlook, the Indian economy registered a GDP rate moderated to 6% in 2008-09 and further it is expected to fall to 5.5% in 2009-10. The current economic scenario is loaded with high fiscal, trade and current account deficits, a weak rupee vulnerable to speculative trends of market mechanism.

The NBFC sector has been facing competitive pressure from MNCs, Banks and Financial Institutions.

The Company's operations 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

Following the world wide financial crisis in the US , which spread to other countries, the year 2008-09 was one of the most difficult years faced by the most companies , locally as well as globally. This was particularly true for companies in the financial sector. Accordingly, the company's performance was affected during the year 2008-09. 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 nascent 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

Commodity futures' trading is at a relatively nascent stage in the Indian context. While there is an attempt to improve awareness of commodities trading, and hence business, at the broker level, even at the exchange level, there is a clear thrust for creating awareness on the benefits of trading and hedging through commodity exchanges. Thus, going forward, the opportunities are immense. In this context the company is also strengthening its dealer network and the network of its sub-brokers as also organizing various seminars for awareness of the commodities market, in order to improve business. The industry, and hence the company, may face external threat in terms of a sluggish recovery from the global recession and consequent weak investor sentiment.

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.

By Order of the Board of Directors

For Jhaveri Credits & Capital Ltd.

Place :Baroda.

Date : 20th July,2009

**Rajesh J. Jhaveri
Managing Director**

ANNEXURE II

REPORT ON CORPORATE GOVERNANCE

[Pursuant to clause 49 of the listing agreement]

1. Corporate Governance Philosophy

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

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

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

(ii) Board Meetings held and attendance of Directors

During the year under review, Twelve (12) Board Meetings were held. 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 30.06.2008
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	-	No
6	Shri Ashesh Trivedi	3	Yes

1. Audit Committee

The Board has constituted an Audit Committee. There were five Audit Committee meetings held during the year April 2008 to March 2009 viz. 12th April, 2008, 7th May, 2008 22nd July, 2008, 23rd October, 2008 &

27th January, 2009, attendance of the Audit Committee Members are as under:-

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

The 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 process and 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.

1. Remuneration of Directors

Details of Remuneration paid to the Directors for the year ended 31st March, 2009:-
amt. (Rs.) amt. (Rs.)

Sr. No	Name of the Director	Sitting Fees (including Committee Meetings)	Gross Remuneration*	Contribution to Provident and Superannuation funds
1	Shri Jitendra B. Jhaveri	4000	--	--
2	Shri Rajesh Jhaveri	-	7,20,000	--
3	Shri Kamlesh Jhaveri	-	2,40,000	--
4	Shri Bhadresh Jhaveri	4000	--	--
5	Shri Kantilal N. Patel	-	--	--
6	Shri Ashesh Trivedi	4000	--	--

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

1. 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.

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

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

1. 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
2005-06	30.09.2006	10.00 A.M.	136-137, Paradise Complex, Sayajigunj, Vadodara- 5
2006-07	29.09.2007	10.00 A.M.	301-302, Payal Tower-II, Sayajigunj, Vadodara-5
2007-08	30.06.2008	11.00 A.M.	301, Payal Tower-II, Sayajigunj, Vadodara-5

1. 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 2008-2009.

2. CEO/MD Certification

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

3. 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).**

4. 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 to the accounts a list of related parties as per Accounting Standard 18 and the transactions entered into with them.

b) Accounting Treatment

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

c) 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 SEBI, 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 SEBI 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.

5. Means of Communication

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

6. General Shareholder information

(i) Annual General Meeting:

Tuesday, the 1st September, 2009 at 11.00 A.M. at Payal Tower-II, Sayajigunj, Vadodara-390005

(ii) Financial Calendar (tentative):

Financial reporting for the quarter ending June 30 th , 2009.	End July, 2009
Financial reporting for the quarter ending Sept. 30 th , 2009.	End October, 2009
Financial reporting for the quarter ending Dec. 31 st , 2009	End January, 2010
Financial reporting for the quarter ending March, 31 st 2010.	End June, 2010

(iii) Date of Book Closure :

Thursday, 27th day of August, 2009 to Tuesday, 1st September, 2009 (both days inclusive).

(iv) Dividend payment date : Not applicable

(v) Listing on Stock Exchanges:

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

The Company has paid Listing Fees for the year April, 2009 to March, 2010 to the Stock Exchange.

(vi) Market Price Data:

Scrip Code: 531550 **Company:** JHAVERI CRED **For the Period:** 1st April, 2008 to March, 2009

Month	High Price	Low Price	Volume
April 2008.	4.36	3.28	700
May 2008	8.49	4.20	14400
June 2008	7.60	4.00	6100
July 2008	4.00	2.81	7800
August 2008	5.47	2.56	4000
September 2008	7.27	4.27	17600
October 2008	4.48	2.27	4100
November 2008	2.18	1.21	3300
December 2008	1.27	1.06	2700
January 2009	2.68	1.26	38200
February 2009	3.74	2.02	24400
March 2009	1.92	1.11	7500

(vii) Share Transfer System:

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

(viii) Distribution of Shareholding as at 31st March,2009:

By Category of Shareholders			By Size of Holding			
Category	No. of Shares	%	No. of Shares	No. of Shareholders	Shares held in each class	%
Promoters/ Promoters Group*	3361950	52.02	Up to 5000	2451	1001150	15.50
FII's/NRI's	588900	9.11	5001-10000	34	279900	4.33
Mutual Funds	-	-	10001-20000	-	540600	8.36
Bodies Corporate	63400	0.98	20001-30000	8	220400	3.41
Public	2449050	37.9	30001-40000	11	411700	6.37
			40001-50000	3	144100	2.23
			50001-100000	7	497800	7.70
			1 above 100000	11	3367650	52.10
Total	6463300	100.00	Total	2563	6463300	100.00

*also includes group companies

(ix) Dematerialisation of Shares:

The Equity Shares of the Company are compulsorily traded in dematerialised form. Out of total 64,63,300 Equity Shares, 48,77,500 shares (75.5 %) have been dematerialised till 31.03.2009.

ISIN No. : INE 865D01012

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

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

Phone : (0265) 2226201

Fax : (0265) 2225378

E-mail: info@jhaveritrade.com

1. Brief resume of Directors seeking appointment/ reappointment:

Shri Kantilal N. Patel, is a B.E., having vide professional experience.

Shri Ashesh J. Trivedi, is M.Com., Inter C.S. a highly qualified and experienced professional having vast experience in the field of Finance and Accounts.

By Order of the Board of Directors

For Jhaveri Credits & Capital Ltd.

Place : Baroda.

Date : 20th July, 2009

Rajesh J. Jhaveri
Managing Director

ANNEXURE III

MANAGING DIRECTOR / CEO CERTIFICATION

I, Rajesh J. Jhaveri, Managing Director/CEO of Jhaveri Credits & Capital Ltd. to the best of our knowledge and belief certify that:

1. I have reviewed the Balance sheet and profit and loss account (consolidated and unconsolidated), and all its schedules and notes on accounts, as well as the Cash flow statements and the Directors' Report.
2. Based on our knowledge and information, these statements do not contain any untrue statement of material facts or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statement made:
3. Based on our knowledge and information, the financial statements and other financial information included in this report, present in all material respects, a true and fair view of, the Company's affairs, the financial condition, results of operations and cash flows of the Company, as of and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. To the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the Company's code of conduct.
5. We are responsible for establishing and maintaining internal controls over financial reporting for the company, and we have:
 - a. Designed such disclosure controls and procedures to ensure that material information relating to the Company, including its consolidated subsidiary, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparing of financial statements for external purposes in accordance with generally accepted accounting principles
 - c. Evaluated the effectiveness of the Company's disclosure, controls and procedures and
 - d. Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent financial year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. We have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and the audit Committee of the Company's Board of Directors:-
 - a. Significant changes in internal controls during the year covered by this report.
 - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.
 - c. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.
7. I further declare that all board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

For Jhaveri Credits & Capital Ltd.

Place : Baroda.

Date : 20th July, 2009

Rajesh J. Jhaveri
Managing Director

ANNEXURE – IV TO DIRECTORS' REPORT

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Jhaveri Credits & Capital Limited,

We have examined the compliance of conditions of Corporate Governance by Jhaveri Credits & Capital Limited for the financial year 2008-09, 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**

**Mukund Bakshi
Partner
Membership No. 41392**

**Place : Baroda.
Date : 20th July, 2009**

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Name of the Subsidiary Company	Jhaveri Hi-tech Agro Limited
The Financial Year of subsidiary ended on	31 st March, 2009
Number of Equity Shares held by the Company on the above date	20,80,700 Equity Shares of Rs. 10/- each, fully paid up
Extent of holding	86.70%
The net aggregate of Profit/(losses) of the subsidiary, so far as they concern the members of the Company and which are not dealt with the accounts of the Company for the year ended 31st March, 2009	
(i) For the financial year of the subsidiary	
ii) For the previous financial years of the subsidiary, since it became subsidiary of the Company	
The net aggregate of Profit/(losses) of the subsidiary, so far as they concern the members of the Company and which are dealt with the accounts of the Company for the year ended 31st March, 2009	
i) For the financial year of the subsidiary	(501557)
ii) For the previous financial year of The subsidiary.	83931

To,
The Board of Directors,
Jhaveri Credits & Capital Limited
Vadodara

Report under "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008".

1. The company is engaged in the business of Non-Banking Financial Institution.
2. The Company has obtained the Certificate of Registration from the Reserve Bank of India.
3. The Board of Directors has passed a resolution for non-acceptance of any public deposits.
4. The Company has not accepted any public deposit during the year.
5. The prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is not applicable to the Company.

**For Mukund & Rohit
Chartered Accountants**

**Place: Vadodara
Date : 20th July, 2009**

**Mukund Bakshi
Partner
M. No. 41392**

AUDITOR'S REPORT

To,
The Members,
JHAVERI CREDITS & CAPITAL LTD.
Vadodara

- 1 We have audited the attached Balance Sheet of **JHAVERI CREDITS & CAPITAL LIMITED** as at **31st March, 2009**, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our Audit.
- 2 We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, (together the 'Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4 Further to our comments in the Annexure referred to in para 3 above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of accounts 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, Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - (d) On the basis of written representations received from the directors, as on 31st March 2009, and taken on record by the Board of Directors, none of the Directors are disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (e) In our opinion, the Balance Sheet, the Profit & Loss Account and the Cash Flow

Statement dealt with by this report comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, Profit and Loss account and Cash Flow Statement read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
- (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
- (c) in case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For Mukund & Rohit
Chartered Accountants**

**Place: Vadodara
Date : 20th July, 2009**

**Mukund Bakshi
Partner
M. No. 41392**

ANNEXURE TO THE AUDITOR'S REPORT

Annexure Referred to in Paragraph 3 of the Auditor's Report of even date to the members of Jhaveri Credits & Capital Limited on the Financial Statements for the year ended 31st March, 2009

1.
 - (i) The company is in process of updating the records maintained by it, showing full particulars, including quantitative details and situation of fixed assets.
 - (ii) 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.
 - (iii) Fixed assets disposed of during the year were not substantial and, therefore, do not affect the going concern assumption.
2. Clause 4(ii) is not applicable to the Company.
3. In the absence of terms of loans granted or taken to and from the companies, listed in the register maintained U/S 301 of the Companies Act, 1956 and companies under the same management as defined under sub-section(1B) of Section 370 of the Companies Act, 1956, we are unable to comment whether the terms are prima facie prejudicial to the interest of the Company or not.
4. 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.
5.
 - (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
 - (b) In our opinion and according to the information and explanations given to us, the prices at which the transactions have been made are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposit from the public within the meaning of Section 58A and 58AA of the Act and the Rules framed thereunder.
7. In our opinion, internal control systems are commensurate with the size and nature of business of the Company.
8. We are informed that the maintenance of cost records have not been prescribed for the company by the Central Government u/s 209(1)(d) of the Companies Act, 1956.
9.
 - (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, ESIC, Income Tax, Sales Tax, Service Tax and other statutory dues with appropriate authorities. There are no undisputed statutory dues outstanding as at 31.03.2009 for a period for more than six months from the date they became payable.
 - (b) We are informed that there is no statutory due outstanding which is disputed.

10. The Company has no accumulated losses as at 31.03.2009 and it has not incurred cash losses during the financial year ended on that date or in the immediately preceding financial year.
11. According to records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of dues to any bank or financial institutions or debenture holders during the year.
12. The company has not granted any loans/advances on basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund or a nidhi / mutual benefit fund / societies are not applicable to the Company.
14. In our opinion, The Company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. No Term Loan has been raised by the Company.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes and vice versa.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
19. The Company has not issued any debentures.
20. The Company has not raised any money by public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For Mukund & Rohit
Chartered Accountants**

**Place: Vadodara
Date : 20th July, 2009**

**Mukund Bakshi
Partner
M. No. 41392**

Balance Sheet as at 31st March, 2009

Particulars	Sch.	As at 31.03.2009	As at 31.03.2008
SOURCE OF FUNDS:			
Share holder's Fund			
- Share Capital	1	64,633,000	64,633,000
- Reserves & Surplus	2	4,689,202	2,652,206
Loan Funds			
- Unsecured Loan	3	100000	100,000
- Deferred tax Liability	4	450843	440,661
Total		69,873,045	67,825,867
APPLICATION OF FUNDS			
Fixed Asset (Net)	5	1,991,807	3,279,051
Investments		29,572,000	31,172,000
Current Assets, Loans & Advances			
- Receivable	6	36,618,905	15,389,153
- Cash and ' Bank' Balance	7	9,219,050	10,413,822
- Deposits & Advances	8	9,466,572	10,154,294
		55,304,527	35,957,269
Less: Current Liabilites & Provsions			
- Current Liabilities	9	15,120,544	1,427,453
- Provisions		1,874,747	1,155,000
		16,995,291	2,582,453
Net Current Assets		38,309,238	33,374,816
Total		69,873,045	67,825,867
Notes On Accounts	17		

As per Our Report Attached

On Behalf of the Board

For Mukund & Rohit
Chartered Accountants

Shri Rajesh J Jhaveri
Managing Director

Mukund Bakshi
Partner
Mem. No. 41392

Shri Kamlesh J.Jhaveri
Director

Place : Vadodara
Date:- 20th July , 2009

Profit & Loss Account For The Year Ended On 31st March, 2009

Particulars	Sch.	As at 31.03.2009	As at 31.03.2008
Income:			
Income from Operation	12	11,018,671	17,916,923
Other Income	13	1,994,251	1,091,048
Total		13,012,922	19,007,971
Expenditure:			
Employees Related Exp.	14	2,416,800	2,104,585
Administrative & Other Exp.	15	7,209,794	14,050,009
Finance Charges	16	109,841	180,023
Total		9,736,435	16,334,617
Profit before Depreciation		3,276,487	2,673,354
Less :Depreciation	6	379,309	438,282
Profit after Depreciation		2,897,178	2,235,072
Profit before Tax		2,897,178	2,235,072
Deferred tax Liabilities		10,182	440,661
Provision for Taxation		850,000	755,000
Profit after Tax		2,036,995	1,039,411
Special General Reserve (u/s 45IC of RBI Act, 1934)		407,399	296,015
Balance carried forward to B/S		1,629,596	743,396
Earning Per Share of Rs. 10 Basic and Diluted		0.32	0.16
Notes On Accounts	17		

As per Our Report Attached

On Behalf of the Board

For Mukund & Rohit
Chartered Accountants

Shri Rajesh J Jhaveri
Managing Director

Mukund Bakshi
Partner
Mem. No. 41392

Shri Kamlesh J.Jhaveri
Director

Place : Vadodara
Date:- 20th July , 2009

Schedules forming part of the Balance sheet as at 31st March, 2009

Particulars	Sch.	As at 31.03.2009	As at 31.03.2008
Schedule -1			
Share Capital			
Authorised Share Capital Divided into 70,00,000 equity shares of Rs.10/- each and 30,00,000 Preference share of Rs.10/- each		100,000,000	100,000,000
Issued, Subscribed & Paid Up share capital 64,63,300 Equity Sahres of Rs.10/- each.		64,633,000	64,633,000
Total		<u>64,633,000</u>	<u>64,633,000</u>
Schedule -2			
Reserves & Surplus			
General Reserve U/S 205 A		1,559,984	1,263,969
Reserve Fund (u/s 45IC of the RBI Act, 1934)		407,399	296,015
Total		<u>1,967,383</u>	<u>1,559,984</u>
Profit & Loss Account			
- Balance as per Last Balance Sheet		1,092,223	348,827
- Add: Balance carried forward		1,629,596	743,396
		2,721,819	1,092,223
Total		<u>4,689,202</u>	<u>2,652,206</u>
Schedule - 3			
Unsecured Loans			
Security Deposits		100,000	100,000
Total		<u>100,000</u>	<u>100,000</u>
Schedule - 4			
Fixed Assets			
Fixed Assets (Gross Block)		6,310,292	7,218,227
Less: Depreciation		4,318,486	3,939,176
Net Block		<u>1,991,807</u>	<u>3,279,051</u>
Schedule - 5			
Investment			
Quoted Shares		-	-
Unquoted shares (valued at cost)		29,572,000	31,172,000
Total		<u>29,572,000</u>	<u>31,172,000</u>

JHAVERI CREDITS & CAPITAL LIMITED

Schedule : 4 Fixed Assets for 2008- 09

Sr. no.	Name of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 01.04.08	Addition during year	Reduction during year	As on 31.03.09	Upto 01.04.08	for the year	Deduction during year	Upto 31.03.08	Upto 31.03.09	Upto 31.03.08
1	Office Equipment	556,578	-	128,873	427,704	427,704	-	-	427,704	0	128,874
2	Office Building	2,953,350	-	1,156,634	1,796,716	535,863	91,772	-	627,635	1,169,081	2,417,487
3	Furniture & Fixtures	1,223,620	-	-	1,223,620	1,036,957	33,786	-	1,070,743	152,877	186,663
4	Computer Equipment	2,323,707	405,397	22,933	2,706,171	1,823,225	246,393	-	2,069,618	636,553	500,482
5	Office Vehicles	100,364	-	4,892	95,473	95,473	-	-	95,473	-	4,891
6	Office Furniture	60,608	-	-	60,608	19,954	7,358	-	27,312	33,296	40,654
	Total	7,218,227	405,397	1,313,332	6,310,292	3,939,176	379,309	-	4,318,486	1,991,807	3,279,051

Schedules forming part of the Balance sheet as at 31st March,2009

Particulars	Sch.	As at 31.03.2009	As at 31.03.2008
Schedule - 6			
Receivables		36,618,905	15,389,153
- More than six months			
- Others			
(Unsecured, considered good unless otherwise stated)			
Total		<u>36,618,905</u>	<u>15,389,153</u>
Schedule - 7			
Cash And Bank Balances:			
- Cash on Hand		191,429	195,002
- Bank Balances			
- With Schedule Bank On Current Account		3,255,643	6,933,112
- With Coop Bank		-	13,730
- FDR with Bank		5,771,978	3,271,978
Total		<u>9,219,050</u>	<u>10,413,822</u>
Schedule - 8			
Loans, Advances & Other Assets			
- Loan		428,032	349,984
- Adv Deposit to Exchange		7,495,000	8,255,254
- Advance Income Tax & Other Advances		1,270,287	1,027,252
- Other Deposits		69,000	94,000
- Advance recoverable in cash or in Kind for value to be recd.		204,253	427,804
Total		<u>9,466,572</u>	<u>10,154,294</u>
Schedule - 9			
Current Liabilities & Provisions			
- Sundry Creditors - Trade		14,434,256	284,715
- Sundry Creditors - Expenses		329,946	474,352
- Govt. Liabilities		126,625	109,886
- Other current liabilities		229,717	558,500
- Provisions		1,874,747	1,155,000
Total		<u>16,995,291</u>	<u>2,582,453</u>
Schedule - 10			
Income From Operation			
Hire Purchase Income		0	0
Brokerage Income		11,018,671	17,916,923
Finance Charges		-	-
Total		<u>11,018,671</u>	<u>17,916,923</u>

Schedules forming part of the Balance sheet as at 31st March, 2009

Particulars	Sch.	As at 31.03.2009	As at 31.03.2008
Schedule - 11			
Other Income			
- Misc. Income		896,995	33,830
- Office Rent		108,000	246,000
- Dividend income		566,091	9,000
- Interest on FDR		423,165	365,984
- T. O. Charges		-	436,234
	Total	<u>1,994,251</u>	<u>1,091,048</u>
Schedule -12			
Employees Related Exp			
- Employee Related Exp.		2,416,800	2,104,585
	Total	<u>2,416,800</u>	<u>2,104,585</u>
Schedule -13			
Administrative & Other Expenses:			
- Trade Related Exp.		837,234	948,307
- Electricity Exp.		109,292	85,490
- Travailing & conveyance		-	33,301
- Rent, Rates & Taxes		388,704	124,360
- Legal & Professional Fees		18,348	114,728
- Postage & Courier Charges		113,915	253,599
- Telephone & Communication Exp.		29,400	134,629
- Repair & Maintance Exp		4,625	25,913
- Printing & Stationery		112,651	158,496
- Advertisement & Publicity		-	29,743
- Insurance Premium		2,570	14,892
- Vehicle Expenses		-	19,435
- Directors Remuneration		960,000	720,000
- Sitting Fees		12,000	12,000
- Audit Fees		100,000	10,000
-Office Expenses		334,338	205,949
- Books & periodicals Exp.		-	13,000
- Commission		4,162,328	11,128,927
- Fringe Benefits Tax		24,390	17,241
		<u>7,209,794</u>	<u>14,050,009</u>
Schedule - 14			
Finance Charges			
-Interest		87,781	156,163
-Other Finance Charges		22,060	23,058
	Total	<u>109,841</u>	<u>180,023</u>

NOTES ON ACCOUNTS

Schedule -17

1. Significant Accounting Policies

- (i) The financial statements are prepared under the historical cost convention in accordance with applicable accounting standards and relevant presentation requirement of the Companies Act, 1956 and on the basis of going concern.
- (ii) a) Fixed assets are stated at original cost less accumulated Depreciation. Cost of acquisition includes of freight, duties, taxes and other incidental expenses.
(b) The depreciation has been charged at W D V method on prorata basis as per rates prescribed in schedule XIV of the Companies Act, 1956.

2. Revenue Recognition

- (a) Professional services /dividend / interest on securities i.e. Debentures, Bonds has been accounted for on receipt basis.
- (b) Taxation provision have made as per Taxation law.
Deferred Tax Liability / Asset resulting from 'timing difference' between book and taxable profit is accounted for considering the tax rate and laws enacted as on balance sheet date. Deferred tax asset, if any, is recognised and carried forward only to the extent that there is virtual certainty that the asset will be realised in the future.

3. Expenses

It is the company's policies to provide for all the expenses on accrual basis.

4. Investments

Investments-are valued at cost. Provision for diminution, if any, in the value of investments is made to recognize a decline, other than temporary. The said diminution is determined for each investment individually.

Market value is determined as:-

- (i) Quoted scripts are taken at the cost as investment.
- (ii) Unquoted shares are taken at the cost as investment.

5. The management reviews periodically the outstanding debtors with a view to determining whether the debtors are good, bad or doubtful after taking in to consideration all the relevant aspects including the Tangible, intangible, Primary and collateral Security available, financial condition of debtors, the net-worth, standing and reputation of guarantor, if any, projected future performance of the debtors etc. based on such review, the management determines the extent of bad debts to be written off or provision to be made for debts doubtful of recovery.

- (i) In the opinion of the board of directors Loans, Advances an other Current Assets in ordinary course of business will not be less than the amount as stated in the Balance Sheet.
- (ii) The provision for all known liabilities have been made except Otherwise stated.

7. Loans & advances includes the amount advanced and dues from the companies, firms wherein directors are interested and the companies under the same management, in our opinion & as per explanations given to us by management, such advances and the terms & conditions are in the normal course of business and are not prejudicial to the interest of the company.

8. Auditors Remuneration

		<u>2008-2009</u>	<u>2007-2008</u>
Audit Fees	Rs.	1,00,000/-	10,000/-
Other	Rs.	---	---

9. There are no registered small scale undertaking in the list of creditors, hence no information is give with reference to the notification no GSR 129 (E) dated 22.02.99 issued by the Department of company Affairs, Ministry of Law, Justice and Company Affairs.

10. Remittance and Expenditure in Foreign Currency: Rs. Nil (P.Y. Nil)

11. Particulars of Earning Per Share

Particulars	2008-09	2007-08
Net profit for the year (Rs.)	20,36,995	10,39,411
Weighted Number of Equity Shares (No.)	64,63,333	64,63,333
Face value of 1 Equity Share (Rs.)	10	10
Earning Per Share (Rs.)	0.32	0.16

12. Calculation of Deferred Tax

Particulars	2008-09	2007-08
Deferred Tax Liability	4,40,461	Nil
Deferred Tax Liability created for Timing difference of depreciation	10,182	4,40,461
Total	4,50,643	4,40,461

13. Earnings in Foreign Currency: Rs. Nil (P.Y. Nil)

14. Remuneration to Directors

	<u>Yr. 2008-2009</u>	<u>Yr. 2007-2008.</u>
Salaries & Allowances	Rs. 9,60,000/-	Rs. 7,20,000/-

15. Related Party Disclosures

Disclosures of relationship and transactions with the related parties as required by Accounting Standard 18 issued by the institute of Chartered Accountants of India are given below.

1) **Relationships:**

- (a) Subsidiary of the Company.
Maulik Kruti Resources Ltd.
Jhaveri Hightech Agro Ltd.
- (b) Associate:
Jhaveri Fiscal Services Pvt. Ltd.
Jhaveri Infrastructure Pvt. Ltd.
Jhaveri Security Pvt. Ltd.
Karan Jeet Resources Pvt. Ltd.
- (c) Related parties where control exists:
Jhaveri Credits & Capital Limited
- (d) Key Management Personnel:
Mr. R. J. Jhaveri
- (e) Relatives of key management personnel and their enterprise where transactions have taken place:

Name	Relationship
S. K. Jhaveri	Relative of Director
S. B. Jhaveri	Relative of Director
S. J. Jhaveri	Relative of Director
M/s J. B. Jhaveri	Director's Proprietorship Concern
R. J. Jhaveri HUF	Director's HUF
Parth Jhaveri	Relative of Director
J. B. Jhaveri HUF	Director's HUF
B. R. Jhaveri	Relative of director

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

- 2) Transactions carried out with related parties referred in 1 above, in ordinary course of business: (Rs. In Lacs)

	Referred in 1(a) above	Referred in 1(b) above	Referred in 1 (c) Above	Referred in a (d) above	Referred in 1(e) above
Interest income on corporate deposit	--	--	--	--	--
Expenses					5.10
Interest on deposit				9.60	
Remuneration to Director					
Finance					
Deposit taken during year					
Inter corporate placed during year	--	--	--	--	--
Loan given	--	--	--	--	--
Loan Repaid					37.50
Investment made in share capital					
Sale of investment in share Capital					16.00
Rendering services					
Outstanding balances	--				
Receivables					

16. The Company is not a Manufacturing Company and hence information under items 4C & 4D of Part II of Schedule VI the Companies Act, 1956 is not applicable.
17. Previous0 year's figures have been regrouped and rearranged, wherever necessary.

For Jhaveri Credits and Capital Ltd

For Mukund & Rohit
Chartered Accountants

Rajesh Jhaveri
Managing Director

Kamlesh Jhaveri
Director

Mukund Bakshi
Partner

Mem. No. 41392

Place : Vadodara

Date : 20/07/2009

Place : Vadodara

Date : 20/07/2009

Schedule -17

Information pursuant to part IV of schedule vi of the companies act, 1956
Balance Sheet Abstract And Company's General Business profile

I. Registration Details

Registration No : 20371
 State Code : 04
 Balance Sheet Date : 31-03-2009

II. Capital raised during the year

Public Issue : Nil
 Rights Issue : Nil
 Bonus Issue : Nil
 Private Placement : Nil

III. Position of source and application of funds

(Rs. in '000)

Total Liabilities : 69,873
 Total Assets : 69,873
 Source of funds : -
 Paid up Capital : 64,633
 Reserves & Surplus : 4,689
 Secured Loans : Nil
 Unsecured loans : 100
 Application of funds : -
 Fixed Assets : 1,992
 Investments : 29,572
 Net Current Assets : 38,309
 Misc. Expenditure : Nil

IV. Performance of company

(Rs. in '000)

Turnover & other Income : 13,013
 Total Expenditure : 10,116
 Profit / (loss) Before Tax : 2,897
 Profit / (loss) After Tax : 2,037
 Earning per Share (in Rs.) : 0.32
 Dividend Rate (%) : Nil

V. Generic name of principal product

Item Code No : N.A.
 Product Description : Lease & Hire Purchase and Commodity Broking

**Signatures to Sch.1 to 17
 For & on behalf of the Board,**

For Mukund & Rohit
 Chartered Accountants

Rajesh Jhaveri
 Managing Director

Kamlesh Jhaveri
 Director

Mukund Bakshi
 Partner

Mem. No. 41392

Place : Vadodara
 Date : 20/07/2009

Place : Vadodara
 Date : 20/07/2009

Cash Flow Statement for the year ended 31-03-2009

Particulars		2008-09	2007-08
A	Cash Flow from Operating Activities		
	Profit Before Taxation	2,897,178	2,235,072
	Adjustments for		
	Depreciation	379,309	438,282
	Preliminary Exp. Written off	-	-
	Assets Written off	156,698	-
	Loss / (Profit) on Sale of Assets	(443,366)	-
	Interest / Dividend Income	(989,256)	(374,984)
	Interest and Finance Charges	109,841	180,023
		(786,774)	243,321
B	Operating Profit before Working Capital Changes	2,110,404	2,478,393
C	Changes in Working Capital		
	Increase / (Decrease) in Current Liabilities & Provisions	14,412,837	(3,159,761)
	(Increase) / Decrease in Current Assets, Loans & Advances	(20,542,030)	6,202,410
D	Cash generated from Operations	(4,018,789)	5,521,042
E	Adjustment for		
	Direct Taxes Paid	(850,000)	(755,000)
	Expenses relating to earlier years	-	-
F	Net Cash from Operations	(4,868,789)	4,766,042
G	Investment Activities		
	Purchase of Fixed Assets	(405,397)	(531,620)
	Sale of Fixed Assets	1,600,000	-
	Sale of Investment	1,600,000	-
	Purchase of Investment	-	(425,000)
	Interest / Dividend Received	989,256	374,984
H	Net Cash from Investment Activities	3,783,859	(581,636)
I	Financing Activities		
	Proceeds from Issue of Share Capital	-	-
	Repayment to Preference shareholders	-	-
	Increase / (Decrease) in Loan Funds	-	-
	Interest and Finance Charges Paid	(109,841)	(180,023)
	Net Cash from Financing Activities	(109,841)	(180,023)
J	Net Changes in Cash and Cash Equivalents during the yrs	(1,194,772)	4,004,382
K	Cash & Cash Equivalents at the Beginning of the Year	10,413,822	6,409,440
L	Cash & Cash Equivalents at the End of the Year	9,219,050	10,413,822
	Net Increase / (Decrease)	(1,194,772)	4,004,382

As per Our Report Attached
For Mukund & Rohit
Chartered Accountants

Mukund Bakshi
Partner
Mem. No. 41392

Place : Vadodara
Date:- 20th July , 2009

On behalf of the Board

Shri Rajesh J Jhaveri
Managing Director

Shri Kamlesh J.Jhaveri
Director

JHAVERI HIGH TECH AGRO LTD

NOTICE FOR 15th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 15th Annual General Meeting of the Members of the Company will be held on Friday, the 28th day of August, 2009 at 12.30 p.m. at 301, PAYAL TOWERS II, SAYAJIGUNJ, VADODARA-39005 to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet and the Profit & Loss Account for the year ended 31st March, 2009 along with Auditors' and Directors' Report thereon.
2. To appoint a Director in place of Mr. Kamlesh J. Jhaveri, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint the Auditors and to fix their remuneration.

Regd. Office:

By order of the Board,

301, Payal Towers-II,
Sayajigunj,
Baroda-390 005

For JHAVERI HIGH TECH AGRO LTD.

Place: Vadodara
Date-10-07-2009

Rajesh J. Jhaveri
Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT A PROXY NEED NOT BE A MEMBER.
2. The Register of Members and the Share Transfer Books will remain closed from Monday, the 24th August, 2009 to Friday, the 27th August, 2009 (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.

JHAVERI HIGHTECH AGRO LIMITED

DIRECTORS' REPORT

To,
The Members

The Directors of your Company present to you the 15th Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2009.

FINANCIAL RESULTS

(Rs. in Lacs)

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
Sales & Other Income	2.40	23.60
Total Expenditure	1.57	12.91
Operating Profit	0.82	10.69
Interest, Finance Charges & Exchange variation	1.88	4.24
Gross profit/ (Loss) for the year	(1.06)	6.45
Depreciation	4.72	5.48
Profit /Loss Before Tax	(5.78)	0.97
Less: Previous year adjustments	---	--
Add: Surplus/Defecit brought Forward from P.Y.	(79.41)	(80.37)
Balance Carried forward to Balance Sheet	(85.19)	(79.41)

DIVIDEND

The Directors do not recommend any dividend in view of accumulated losses.

REVIEW OF OPERATIONS

During the year under review your company incurred loss of Rs. 5.78 Lacs. Your directors are confident to achieve better growth and profitability in future as company is released of financial cost burden.

FIXED DEPOSITS

The Company is not accepting public deposits under Section 58A of the Companies Act, 1956.

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;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgements 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 that period;
- iii) the Directors have taken proper care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the annual accounts on a going concern basis.

DIRECTORS

In pursuance of the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri Kamlesh J Jhaveri, director retires by rotation and being eligible, offer himself for reappointment.

AUDITORS

The Board proposes to re-appoint M/s. S.C. Trivedi, Chartered Accountants, Vadodara, as Statutory Auditors of the Company for the year 2009-10. The appointment of M/s. S.C. Trivedi, Chartered Accountants, Vadodara, will be until the conclusion of the next Annual General Meeting. The Board recommends their appointment.

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 attached as annexure to this report.

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.

Regd. Office:

301, Payal Towers,
Sayajigunj,
Baroda-390 005

Place: Vadodara
Date: 10-07-2009

By order of the Board,

For JHAVERI HIGH TECH AGRO LTD.

Rajesh J. Jhaveri
Director

ANNEXURE TO DIRECTOR'S REPORT

STATEMENT CONTAINING PARTICULARS PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 FORMING PART OF THE DIRECTORS' REPORT.

A. CONSERVATION OF ENERGY:

Energy conservation measures to improve efficiency of diesel generator were initiated. Proper and regular maintenance of D.G. sets were undertaken. The fuel consumption was reduced by recalibrating the fuel pump.

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

B. TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT:

The Company is having in-house research & development work. It resulted in the introduction of hybrid seeds and plants with higher yield and greater margin.

The Company has not imported any technology during the year under review.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- | | |
|--------------------------------------|----------------|
| i) Foreign Exchange Earnings: | NIL (P.Y. NIL) |
| ii) Expenditure in Foreign Currency: | NIL (P.Y. NIL) |

Regd. Office:

301, Payal Towers,
Sayajigunj,
Baroda-390 005

Place: Vadodara
Date: 10-07-2009

By order of the Board,

For JHAVERI HIGH TECH AGRO LTD.

Rajesh J. Jhaveri
Director

AUDITOR'S REPORT

The Shareholders,
JHAVERI HIGH TECH AGRO LTD.
 Baroda.

We have audited the attached Balance Sheet of Jhaveri High Tech Agro Ltd., Baroda as at 31st March 2009 and also the annexed Profit & Loss Account and the Cash flow statement of the Company for the year ended on that date, and report that

1. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our Audit.
2. We conducted our Audit in accordance with auditing standards generally accepted in India. These standards required that we plan and perform the Audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the manufacturing and Other Companies (Auditors' Report) Order, 2003 issued by the Company Law Board in term of Section 227 (4A) of the companies Act, 1956. We Annex here to a statement on the matters specified in paragraph 4 & 5 of the said Order to the extent applicable to the company.
4. Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of accounts as required by the law have been kept by the Company so far as appears from our examination of the books
 - c) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion, the Balance Sheet, Profit & Loss account and Cash Flow Statement comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from directors and taken on record by the Board of Directors, we report that none of the Director is disqualified as on 31st March, 2009 from being appointed as a director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the accounts read along with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
 - (I) In Case of Balance Sheet, of the state of affairs of the Company as at 31st March, 09;
 - (II) In case of Profit and Loss Account, of the loss for the year ended on that date; and
 - (III) In case of Cash Flow statement, of the cash flow for the year ended on that date.

Satish C. Trivedi
 Chartered Accountant

S. C. Trivedi
 (Proprietor)
 Membership No 30457

Place:- Vadodara
 Date :- 10/07/2009

ANNEXURE TO THE AUDITOR'S REPORT

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR AUDITORS' REPORT OF EVEN DATE ON THE ACCOUNT FOR THE YEAR 31ST MARCH 2009, OF JHAVERI HITECH AGRO LTD.

- 1) (a) The Company is developing proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) During the year company has not disposed off any major parts of Fixed Assets that would affect the going concern assumptions of the company.
- 2) (a) As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its investment and no material discrepancies were noticed on such physical verification.
- 3) (a) The Company has neither granted nor taken any loan, secured or unsecured from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) Since the Company has neither granted nor taken any loan, secured or unsecured from companies, firms and other parties, the provisions of Clause (iii)(b), (iii)(c), (iii)(d) of the order are not applicable to the Company.
- 4) There is an adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchase of goods and the assets and for sale of goods.
- 5) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the prices at which the transactions have been made are reasonable having regard to the prevailing market prices at the relevant time.
- 6) The Company has not accepted any deposit from the public within the meaning of Section 58A and 58AA of the Act and the Rules framed thereunder.
- 7) In our opinion, internal control systems are commensurate with the size and nature of business of the Company.
- 8) We are informed that the maintenance of cost records have not been prescribed for the Company by the Central Government u/s 209 (1)(d) of the Companies Act, 1956.
- 9) (a) According to information given to us, Provident Fund Act is not applicable to the company for the Year.

- (b) We are informed that there are no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom duty, and Excise Duty outstanding as at 31st March, 2008 for a period of more than six months from the date they become payable.
- 10) The Company has accumulated losses as at 31.03.2009 and it has incurred cash loss during the financial year ended on that date.
 - 11) According to records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of dues to any bank or financial institutions or debenture holders during the year.
 - 12) The company has not granted any loans/advances on basis of security by way of pledge of shares, debentures and other securities.
 - 13) The provisions of any special statute applicable to chit fund or a nidhi / mutual benefit fund / societies are not applicable to the Company.
 - 14) In our opinion, The Company is not a dealer or trader in shares, securities, debentures and other investments.
 - 15) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
 - 16) In our opinion and according to the information and explanations provided to us, the term loans have been applied for the purpose for which they were raised.
 - 17) According to information and explanations given to us, and on overall examination of Balance Sheet of the Company, we report that no fund raised on short term basis have been used for long term investment.
 - 18) According to the information and explanation given to us, the Company has not made any preferential allotment of shares during the year to parties covered in the register maintained u/s 301 of the Act, therefore provisions of clause 4(xviii) of the order are not applicable to the Company.
 - 19) According to the information and explanations given to us, the Company has not issued any debentures and therefore, the provisions of clause 4(xix) of the order are not applicable to the Company.
 - 20) The Company has not raised any money by way of public issue of shares during the year hence the provisions of Clause 4(xx) of the order are not applicable to the Company.
 - 21) According to information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

Satish C. Trivedi
Chartered Accountant

S. C. Trivedi
(Proprietor)
Membership No 30457

Place:- Vadodara
Date :- 10/07/2009

Balance Sheet as at 31st March, 2009

Particulars	Sch.	As at 31.03.2009	As at 31.03.2008
<u>SOURCES OF FUNDS :-</u>			
SHARE HOLDERS FUND			
Share Capital	1	24000000	24000000
RESERVE & SURPLUS	2	2510000	2510000
LOAN FUNDS			
Secured Loan	3	-	2216270
Total		<u>26510000</u>	<u>28726270</u>
<u>APPLICATION OF FUNDS :-</u>			
FIXED ASSETS (NET)	4	3094695	3568464
INVESTMENTS	5	238450	238450
CURRENT ASSETS, LOANS & ADVANCES			
Sundry Debtors	6	-	-
Inventories	7	15213926	18134242
Cash & Bank Balance	8	60985	70496
Loans & Advances	9	2363	21464
		<u>15277274</u>	<u>18226202</u>
Less: CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	10	672538	1294902
Provisions		5000	31509
		<u>677538</u>	<u>1326411</u>
NET CURRENT ASSETS		14599736	16899791
MISCELLANEOUS EXPENSES			
(to the extent not written off or adjusted)	11	58022	78965
PROFIT & LOSS ACCOUNT			
	12	8519097	7940600
Total		<u>26510000</u>	<u>28726270</u>
NOTES ON ACCOUNTS	20		

As per our report of even date
For Satish C Trivedi
(Chartered Accountant)

S. C. Trivedi.
Proprietor
Membership No.30457

Date : 10/07/2009
Place : Baroda

For JHAVERI HIGH TECH AGRO LTD

RAJESH JHAVERI
Director

BHADRESH JHAVERI
Director

Date : 10/07/2009
Place : Baroda

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2009.

Particulars	Sch.	As at 31.03.2009	As at 31.03.2008
INCOME			
Agriculture Income	13	3160916	3839723
Misc Income	14	-	9700
Increase/Decrease in Stock	15	(2920316)	(1489075)
TOTAL		<u>240600</u>	<u>2360348</u>
EXPENDITURE:			
Farming Cost	16	40647	806925
Staff Cost	17	48517	318108
Administrative & Other Exp.	18	68811	165770
Financial Exp.	19	188270	424309
TOTAL		<u>346245</u>	<u>1715112</u>
Profit/Loss before Depreciation		(105645)	645237
Less : Depreciation		472851	548430
Profit after Depreciation		(578497)	96806
Profit/Loss Before Tax		(578497)	96806
Provision for Tax			
Profit/Loss After Tax		(578497)	96806
Less: Previous Year Adjustment		-	-
Balance Carried to Balance Sheet		(578497)	96806
NOTES ON ACCOUNTS	20		

As per our report of even date
For Satish C Trivedi
(Chartered Accountant)

S. C. Trivedi.
Proprietor
Membership No.30457

Date : 10/07/2009
Place : Baroda

For JHAVERI HIGH TECH AGRO LTD

RAJESH JHAVERI
Director

BHADRESH JHAVERI
Director

Date : 10/07/2009
Place : Baroda

Schedule Forming Part of the Balance sheet as at 31st March, 2009

Particulars	As at 31.03.2009	As at 31.03.2008
SCHEDULE : 1		
SHARE CAPITAL		
a.) Authorised Share Capital 3000000 25,00,000 Equity Shares of Rs.10/- each. & 5,00,000 Preference Share of Rs. 10 each (Redeemable at par in accordance with the terms of issue and or as may be determined by the Directors)	30000000	30000000
b.) Issued, Subscribed & Paid Up 24,00,000 Equity Shares of Rs.10/-	24000000	24000000
	<u>24000000</u>	<u>24000000</u>
SCHEDULE : 2		
RESERVE & SURPLUS		
Statutory General Reserve	10000	10000
Subsidy Reserve	2500000	2500000
	<u>2510000</u>	<u>2510000</u>
SCHEDULE : 3		
SECURED LOANS		
Term Loan	-	2216270
	-	<u>2216270</u>
SCHEDULE : 4		
FIXED ASSETS		
Fixed Assets(Gross Block)	10760077	12502436
Less: Deduction	95800	1742359
Less: Depreciation	7569581	7191614
	<u>3094695</u>	<u>3568464</u>
SCHEDULE : 5		
INVESTMENT		
Jhaveri Credits & Capital Ltd	238450	238450
	<u>238450</u>	<u>238450</u>
SCHEDULE : 6		
Sundry Debtors		
	-	-
	-	-
SCHEDULE : 7		
Raw Materials		
Closing stock	15213926	18134242
	<u>15213926</u>	<u>18134242</u>
SCHEDULE : 8		
CASH & BANK BALANCES:		
Cash on Hand	14609	19183
Balance with Schedule Bank	46377	51313
	<u>60985</u>	<u>70496</u>

JHAVERI HIGH TECH AGRO LTD. (Annexure to Schedule - 4)

STATEMENT SHOWING FIXED ASSETS DEPRICIATION

FOR THE YEAR ENDED ON 31/03/2009

SR. No.	NAME OF THE ASSETS	GROSS BLOCK				DEPRICIATION BLOCK				NET BLOCK		
		BALANCE AS ON 4/1/2008	ADDITION BEFORE SEP	ADDITION AFTER SEP	DEDUCTION DURING YEAR	BALANCE AS ON 3/31/2009	BALANCE AS ON 4/1/2008	DEPRICI FOR THE YEAR	DEDUCT DURING YEAR	BALANCE AS ON 3/31/2009	BALANCE AS ON 3/31/2009	BALANCE AS ON 3/31/2008
1	BUILDING	415226	-	-	-	415226	152656	13128	-	165784	249442	262570
2	PLANT & MACHINERY	10249051	-	-	-	10249051	6944074	459723	-	7403797	2845253	3304976
3	COMPUTER EQUIPMENTS	95800	-	-	95800	-	94882	-	94882	-	-	918
	TOTAL RS.	10760077	-	-	95800	10664277	7191612	472851	94882	7569581	3094695	3568464

Schedule Forming Part of the Balance sheet as at 31st March, 2009

Particulars	As at 31.03.2009	As at 31.03.2008
SCHEDULE : 9		
LOANS & ADVANCES		
Advance for purchase of land	-	-
Advance to Suppliers Other	-	19101
Income Tax & Tax Deducted at Sources	2363	2363
	<u>2363</u>	<u>21464</u>
SCHEDULE : 10		
CURRENT LIABILITIES		
Sundry Creditors	100000	106795
Other Current liabilities	572538	1188107
	<u>672538</u>	<u>1294902</u>
PROVISIONS		
For Expenses	5000	31509
	<u>5000</u>	<u>31509</u>
SCHEDULE : 11		
MISCELLANEOUS EXP.		
Preliminary Expenses	78965	99908
Less : Written of during the year	20943	20943
	<u>58022</u>	<u>78965</u>
SCHEDULE : 12		
PROFIT & LOSS ACCOUNT		
Balance as Per Last Year	(7940600)	(8037406)
Add: P&L During the Year	(578497)	96806
	<u>(8519097)</u>	<u>(7940600)</u>
SCHEDULE : 13		
AGRICULTURE INCOME		
	3160916	3839723
	<u>3160916</u>	<u>3839723</u>
SCHEDULE : 14		
MISC INCOME		
	-	9,700
	-	<u>9,700</u>
SCHEDULE : 15		
INCREASE/DECREASE IN STOCK		
Closing Stock	15213926	18134242
Less: Opening Stock	18134242	19623317
	<u>(2,920,316)</u>	<u>(1,489,075)</u>

Schedule Forming Part of the Balance sheet as at 31st March, 2009

Particulars	As at 31.03.2009	As at 31.03.2008
SCHEDULE : 16		
FARMING COST		
Insurance	19371	19351
Fertilizer & Pesticides	-	30103
Reparing & Maintance Exp.	-	1404
Fuel & Oil & Power	-	36194
Carting Expenses	-	6200
Seeds	-	56751
Labour Charges	-	261805
Asset written off	768	374609
Land Rent & Taxes	20508	20508
	<u>40647</u>	<u>806925</u>
 SCHEDULE : 17		
STAFF COST		
Salary & Bonus	48517	318108
	<u>48517</u>	<u>318108</u>
 SCHEDULE : 18		
ADMINISTRATIVE & OTHER EXP		
Written Off preli/Preop. Exp	20943	20943
Auditors Remuneration	5000	3000
Filling Fees	2000	1724
Legal and professional Fee	1700	-
Site Exp.	-	8403
Office Rent	30000	30000
Printing & Stationery	7168	-
Profesional Tax	2000	1000
Electrical Exp.	-	18572
Vehical Expenses	-	81058
Telephone Expenses	-	443
Demat Charges	-	627
	<u>68811</u>	<u>165770</u>
 SCHEDULE : 19		
FINANCE CHARGES		
Bank & Other Interest	181505	423626
Bank Charges	6765	683
	<u>188270</u>	<u>424309</u>

NOTES TO THE BALANCE SHEET AS AT 31ST MARCH, 2009 AND
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

NOTES ON ACCOUNTS

SCHEDULE – 20

A. Significant Accounting Policies

1. General:

- i) The financial statements are prepared under in accordance with historical cost convention.
- ii) The company follows certain accounting polices consistently in accordance with the generally accepted accounting principals, other than those specifically stated.

2. Depreciation is provided on the written down value method at the rates specified in schedule XIV to the Companies Act, 1956 on pro-rata basis, considering the month of installation as a month of use where applicable.

3. Deferred Revenue Expenditure :

Preliminary and pre-operative expenses are written off over a period of 10 years.

4. Stock in Trade

- i) The work in process under Teak plantation stock is valued at direct cost incurred plus indirect overheads.
- ii) Other stock is valued at cost.

A. Notes to the Accounts:

1. Managerial Remuneration includes:

	2008-2009	2007-2008
SALARY	NIL	NIL

2. Commission payable/paid by way of percentage to the directors, Managing Directors etc.
Rs. NIL (P.Y. Rs. NIL)

3. Auditors Remuneration includes:

	2008-2009	2007-2008
AUDIT FEES	5000	3000

4. Earnings in Foreign Currency : Rs. NIL (P.Y. NIL)
QTY. NIL (P.Y.QTY NIL)

5. Remittance and Expenditure in Foreign Currency : Rs. NIL
(P.Y.Rs. NIL)

6. ADDITIONAL INFORMATION & QUANTITATIVE DETAILS PURSUANT TO PARA 3 & 4 OF PART II OF SCHEDULE VI OF THE COMPANIES ACT, 1956. (As Certified by the Management).

- (A) Licensed Capacity : N.A.
- (B) Installed Capacity : N.A.
- (C) Quantitative details of Sales/Turnover

PARTICULARS	UNITS	2008-09 QTY.	2008-09 VALUE	2007-08 QTY.	2007-08 VALUE
Capsicum	Kg.	-----	-----	----	-----
Vegetables	Kg.	-----	-----	55652	478428
Sweet Corn	No.	-----	-----	22678	85152
Mango	Kg.	-----	-----	72680	1308240
Laman, Chiku	Kg.	-----	-----	24540	122678
Pacholi	Kg.	-----	-----	4825	106150
Tickwood Plantation	No.	44247	2920316	26350	1739075
Spontenious Grass	No.	16040	240600	-----	-----

(D) Value of Raw Material Consumed: Nil

Imported and indigenous raw materials consume :

	Amount (Rs.)	%
Imported	----	---
Indigenous	----	---

(E) Quantitative information regarding Opening and Closing Stock, Production and sales

PARTICULARS	UNITS	PRODUCTION QTY.	SALES QTY	CLOSING STOCK QTY
Tickwood Plantation	No.	----	44247	---
SponteniousGrass	No.	16040	16040	---

7. Contingent Liabilities :
Provided for NIL.

8. Previous year's figure have been regrouped where necessary.

As per our report of even date.

For JHAVERI HIGH TECH AGRO LTD.

SATISH C TRIVEDI
Chartered Accountants

RAJESH JHAVERI
Director

BHADRESH JHAVERI
Director

PROPRIETOR
Membership No 30457.

Place : Baroda
Date : 10-07-2009

Place : Baroda
Date : 10-07-2009

SCHEDULE - 21

INFORMATION PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details	04-24589		State Code
Registration No.		03 2009	04
	Date	Month Year	

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

III. position of mobilisation and deppment of Funds (Amount in Rs. Thousands)

Total Liabiliteis	26510	Total Assets	26510
Sources of Funds			
Paid-Up Capital	24000	Res. And Surplus	2510
Secured Loans	---	Unsecured Loans	---
Application of Funds			
Net Fixed Assets	3095	Investments	238
Net Current Assets	14600	Misc. Expenditure	58
Accumulated Losses	8519		

IV. Performance of the Company (Amount in Rs. Thousands)

Turnover	241	Total Expenditure	819
Profit/Loss before Tax	(578)	P/L after Tax	(578)
Earning per share in Rs.	NIL	Dividend Rate %	NIL

v. Generic Names of three principal products/services of the Company (as per monetary terms)

Product Description	Item Code No.
Developer of Agro Horti-forestry.	N. A.

Signatures to Schedule 1 to 21

**For Satish C Trivedi
Chartered Accountant)**

**For and On behalf of the Board
JHAVERI HIGHTECH AGRO LTD.**

**SATISH C TRIVEDI
PROPRIETOR
Membership No 30457.**

**RAJESH JHAVERI
Director**

**BHADRESH JHAVERI
Director**

Place : Baroda
Date : 20-07-2009

Place : Baroda
Date : 20-07-2009

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Particulars		2008-09		2007-08	
A	Cash Flow from Operating Activities				
	Profit After Taxation		(578,497)		96,806
	Adjustments for				
	Depreciation	472,851		548,430	
	Preliminary Exp. Written off	20,943		20,943	
	Assets Written off	768		374,609	
	Interest / Dividend Income	-		-	
	Interest and Finance Charges	188,270	682832	424,309	1368291
B	Operating Profit before Working Capital Changes		104335		1465097
C	Changes in Working Capital				
	Increase / (Decrease) in Current Liabilities & Provisions		(648,873)		(781,221)
	(Increase) / Decrease in Current Assets, Loans & Advances		2,939,417		1,655,442
D	Cash generated from Operations		2394879		2339318
E	Adjustment for				
	Direct Taxes Paid		-		-
	Expenses relating to earlier years		-		-
F	Net Cash from Operations		2394879		2339318
G	Investment Activities				
	Purchase of Fixed Assets		-		-
	Sale of Fixed Assets		150		-
	Sale of Investment		-		-
	Interest / Dividend Received		-		-
	Receivables		-		-
	Net Cash from Investment Activities		150		-
H	Financing Activities				
	Proceeds from Issue of Share Capital		-		-
	Repayment to Preference shareholders		-		(133,200)
	Increase / (Decrease) in Loan Funds		(2,216,270)		(1,779,879)
	Interest and Finance Charges Paid		188270		424309
	Net Cash from Financing Activities		2404540		2337389
I	Net Changes in Cash and Cash Equivalents		9511		1930
J	Cash & Cash Equivalents at the Beginning of the Year		70496		68566
K	Cash & Cash Equivalents at the End of the Year		60,985		70,496
	Net Increase / (Decrease)		(9511)		(1930)

As per our report of even dated attached
For Satish C. Trivedi
Chartered Accountants

S.C. Trivedi
Proprietor
Membership No. 30457

Date: 10/07/2009
Place: Baroda

On behalf of the Board

Shri Rajesh J Jhaveri
Managing Director

Shri Bhadresh J.Jhaveri
Director

Date: 10/07/2009
Place: Baroda

Auditors' Report on the Consolidated Financial Statements to the Board of Directors of Jhaveri Credits & Capital Limited

1. We have audited the attached consolidated balance sheet of Jhaveri Credits & Capital Limited ('the Company') and its subsidiary (the Company and its subsidiary constitutes 'the Group') as at 31st March, 2009, the consolidated profit and loss account and the consolidated cash flow statement for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial presentation. We believe that our audit provides reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting standard 21 'Consolidated Financial Statements'.
4. Based on our audit and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2009;
 - b. in the case of Consolidated Profit and Loss Account, of the profit of the group for the year ended on that date; and
 - c. in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For Mukund & Rohit
Chartered Accountants

Place: Vadodara
Date: 20th July, 2009

Mukund Bakshi
Partner
Mem. No. 41392

Consolidated Balance Sheet as at 31 st March, 2009

Particulars	Sch.	31.03.2009 Rs.	31.03.2008 Rs.
SOURCES OF FUNDS :-			
SHARE HOLDERS FUND			
Share Capital	1	63,831,550	63,831,550
Reserve & Surplus	2	4706553	4299154
Minority Interest		2388293	2462673
Deferred tax liability		450,843	440,661
Loan Funds			
- Secured Loan	3	-	2,216,270
- Unsecured Loan	4	100,000	100,000
Total		<u>71477239</u>	<u>73350308</u>
APPLICATION OF FUNDS :-			
FIXED ASSETS (NET)	5	5,086,503	6,847,515
INVESTMENTS	6	8764000	10364000
CURRENT ASSETS, LOANS & ADVANCES			
Sundry Debtors	7	36,618,905	15,389,153
Inventories	8	15,213,926	18,134,242
Cash & Bank Balance	9	9,280,035	10,484,318
Loans & Advances	10	9,468,935	10,175,758
		<u>70,581,801</u>	<u>54,183,471</u>
Less: CURRENT LIABILITIES & PROVISIONS	11		
Current Liabilities		15,793,082	2,722,355
Provisions		1,879,747	1,186,509
		<u>17,672,829</u>	<u>3,908,864</u>
NET CURRENT ASSETS		52,908,972	50,274,607
MISCELLANEOUS EXPENSES			
(to the extent not written off or adjusted)	12	58022	78965
PROFIT & LOSS ACCOUNT	13	4659742	5785221
Total		<u>71477239</u>	<u>73350308</u>
NOTES ON ACCOUNTS	20		

As per our report of even dated attached
For Mukund & Rohit
(Chartered Accountant)

Mukund Bakshi
Partner
Mem. No. 41392

Date : 20/07/2009
Place : Vadodara

On behalf of the Board
RAJESH JHAVERI
Director

KAMLESH JHAVERI
Director

Date : 20/07/2009
Place : Vadodara

Consolidated Profit & Loss Account For The Year Ended On 31st March, 2009

Particulars	Sch.	31.03.2009 Rs.	31.03.2008 Rs.
INCOME			
Income from Operation	14	11,018,671	17,916,923
Agriculture Income		3,160,916	3,839,723
Misc Income	15	-	9,700
Increase/Decrease in Stock	16	(2,920,316)	(1,489,075)
Other Income		1,994,251	1,091,048
TOTAL		<u>13,253,522</u>	<u>21,368,319</u>
EXPENDITURE:			
Employees Related Exp	17	2,465,317	2,422,693
Administrative & Other Exp.	18	7,319,252	15,022,705
Finance Charges	19	298,111	604,332
TOTAL		<u>10,082,680</u>	<u>18,049,730</u>
Profit before Depreciation		3,170,842	3,318,589
Less : Depreciation		852,160	986,712
Profit after Depreciation		2,318,682	2,331,876
Profit before Tax		2,318,681	2,331,877
Deferred Tax Liability		10,182	440,661
Provision for Taxation		850,000	755,000
Profit after Tax		1,458,499	1,136,216
Share of Minority in Profit / (Loss)		(74,380)	14746
Profit available for distribution		1,532,879	1121470
Transferred to Special General Reserve (u/s 45IC of RBI Act, 1934)		407,399	296,015
Balance carried forward to B/S		1,125,479	825455
Earning Per Share of Rs. 10 each - Basic & Diluted		0.23	0.18

NOTES ON ACCOUNTS

20

As per our report of even dated attached
For Mukund & Rohit
Chartered Accountants

Mukund Bakshi
Partner
Mem. No. 41392

Place : Vadodara
Date:- 20th July, 2009

On behalf of the Board

Shri Rajesh J Jhaveri
Managing Director

Shri Kamlesh J. Jhaveri
Director

Schedules forming part of Consolidated Balance sheet as at 31st March,2009

Particulars	Sch.	31.03.2009 Rs.	31.03.2008 Rs.
Schedule -1			
Share Capital			
Authorised Share Capital Divided into 70,00,000 equity shares of Rs.10/- each and 30,00,000 Preference share of Rs.10/- each		130,000,000	130,000,000
Issued, Subscribed & Paid Up share capital 64,63,300 Equity Sahres of Rs.10/- each.		64,633,000	64,633,000
Less: 80,145 Shares held by Subsidiary Company		801,450	801,450
Total		<u>63,831,550</u>	<u>63,831,550</u>
Schedule -2			
Reserves & Surplus			
General Reserve U/S 205 A		1,559,984	1,263,969
Reserve Fund (u/s 45IC of the RBI Act, 1934)		407,399	296,015
Capital Reserve on Consolidation		2739170	2739170
Total		<u>4706553</u>	<u>4299154</u>
Schedule - 3			
Secured Loans			
Term Loan		-	2,216,270
Total		<u>-</u>	<u>2,216,270</u>
Schedule - 4			
Unsecured Loans			
Security Deposits		100,000	100,000
Total		<u>100,000</u>	<u>100,000</u>
Schedule - 5			
Fixed Assets			
Fixed Assets (Gross Block)		17,070,369	19,720,663
Less: Deduction		95,800	1,742,359
Less: Depreciation		11,888,067	11,130,790
Net Block Fixed Assets Total		<u>5,086,503</u>	<u>6,847,515</u>
Schedule - 6			
Investment			
Quoted Shares			
Unquoted shares (valued at cost)		-	-
Total Investments of Group		29,810,450	31,410,450
Less: Intergroup Investments		21,046,450	21,046,450
Total		<u>8764000</u>	<u>10364000</u>
Schedule - 7			
Receivables			
Debtors outstanding for more than six months		36,618,905	15,389,153
Other Debtors (Unsecured, considered good unless otherwise stated)			
Total		<u>36,618,905</u>	<u>15,389,153</u>

Schedules forming part of Consolidated Balance sheet as at 31st March, 2009

Particulars	Sch.	31.03.2009 Rs.	31.03.2008 Rs.
Schedule - 8			
Raw Materials		-	-
Closing Stock		15,213,926	18,134,242
Total		<u>15,213,926</u>	<u>18,134,242</u>
Schedule - 9			
Cash And Bank Balances:			
- Cash on Hand		206,038	214,185
- Bank Balances			
- With Schedule Bank On Current Account		3,302,020	6,984,425
- With Coop Bank			13,730
- FDR with Bank		5,771,978	3,271,978
Total		<u>9,280,035</u>	<u>10,484,318</u>
Schedule - 10			
Loans, Advances & Other Assets			
- Loan		428,032	349,984
- Adv Deposit to Exchange		7,495,000	8,255,254
- Advance Income Tax & Other Advances		1,270,287	1,027,252
- Other Deposits		69,000	94,000
- Advance recoverable in cash or in Kind for value to be recd.		204,253	446,905
Total		<u>9,466,572</u>	<u>10,154,294</u>
Schedule - 11			
Current Liabilities & Provisions			
- Sundry Creditors - Trade		14,434,256	284,715
- Sundry Creditors - Expenses		429,946	581,147
- Govt. Liabilities		126,625	109,886
- Other current liabilities		802,255	1,746,607
- Provisions		1,879,747	1,186,509
Total		<u>17,672,829</u>	<u>3,908,864</u>
Schedule - 12			
Miscellaneous Exps.			
Preliminary Expenses		78,965	99,908
Less:- Written off during Year		20,943	20,943
Total		<u>58,022</u>	<u>78,965</u>
Schedule - 13			
Profit & Loss Account			
- Balance as per Last Balance Sheet		(5785221)	(768854)
- Add: Balance carried forward		1,125,479	825455
- Less: Share of Minority Shareholders		-	1,077,903
Total		<u>4659742</u>	<u>5785221</u>

Schedules forming part of Consolidated Profit & loss Account sheet as at 31st March, 2009

Particulars	Sch.	31.03.2009 Rs.	31.03.2008 Rs.
Schedule - 14			
Income From Operation			
-Brokerage income		11,018,671	17,916,923
Agriculture Income		3,160,916	3,839,723
Finance Charges		-	-
	Total	14,179,587	21,756,646
Schedule - 15			
Other income			
- Misc. Income		896,995	43,530
- Office Rent		108,000	246,000
- Dividend income		566,091	9,000
- Interest on FDR		423,165	365,984
- T. O. Charges		-	436,234
	Total	1,994,251	1,100,748
Schedule -16			
Increase / Decrease In Stock			
Closing Stock		15,213,926	18,134,242
Less:- Opening Stock		18,134,242	19,623,317
	Total	(2,920,316)	(1,489,075)
Schedule -17			
Employees Related Exp			
- Employee Related Exp.		2,465,317	2,422,693
	Total	2,465,317	2,422,693
Schedule -18			
Administrative & Other Expenses:			
- Trade Related Exp.		837,234	948,307
- Electricity Exp.		109,292	104,062
- Travailing & conveyance		-	33,301
- Rent, Rates & Taxes		439,212	174,866
- Legal & Professional Fees		20,048	114,728
- Postage & Courier Charges		113,915	253,599
- Telephone & Communication Exp.		29,400	135,072
- Repair & Maintance Exp		4,625	27,317
- Printing & Stationery		119,819	158,496
- Advertisement & Publicity		-	29,743
- Insurance Premium		21,941	34,243
- Vehicle Expenses		-	100,493
- Directors Remuneration		960,000	720,000
- Sitting Fees		12,000	12,000
- Audit Fees		105,000	13,000
- Office Expenses		336,338	207,576
- Books & periodicals Exp.		-	13,000
- Commission		4,162,328	11,128,927
- Fringe Benefits Tax		24,390	17,241
- Written off Prel./Preop. Exp.		20,943	20,943
- Filling Fees.		2,000	1,724
- Fertilizers & Pesticides		-	30,103
- Fuel & Oil & Power		-	36,194
- Carting Expenses		-	6,200
- Seeds		-	56,751
- Labour Charges		-	270,208
- Assesst written Off		768	374,609
	Total	7,319,253	15,022,705
Schedule-19			
Finance Charges			
-Bank Guarantee & Other charges		87,781	156,163
-Interest		181,505	424,428
-Other Finance Charegs		28,825	23,741
	Total	298,111	604,332

Notes forming part of Consolidated Financial Statements –

A. Significant Accounting Policies

1. Basis of Consolidation

a. Basis of Preparation

The financial statements have been prepared to comply in all material respect with the mandatory Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 under the historical cost convention and on accrual basis. The accounting policies, in all material respects have been applied consistently by the Jhaveri Group and are consistent with those used in previous period.

b. Principles of Consolidation

The financial statements of the subsidiary company are drawn up to the same reporting date as of the Company.

The consolidated financial statements have been prepared on the following basis –

- i. The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis adding the like items of assets and liabilities, income and expenses. Inter company balances, transactions and unrealised profits or losses have been eliminated.
- ii. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances, and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
- iii. The difference between the cost to the Company of its investment in subsidiary and its proportionate share in the equity of the investee company at the time of acquisition of shares in the subsidiary is recognised in the consolidated financial statement as Goodwill or Capital Reserve, as the case may be.

2. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reported period end. Although, these estimates are based on management's best knowledge of current events, actual results may differ from these estimates.

3. Fixed Assets & Depreciation

- i. Fixed assets are stated at original cost less accumulated depreciation. Cost includes all expenses incurred to bring the assets to its present location and condition.
- ii. Depreciation has been provided on written down value method on pro-rata basis at rates prescribed in Schedule XIV to the Companies Act, 1956.

4. Investments

Long term investments are valued at cost, after providing for any diminution in value, to recognise a decline 'other than temporary' in nature. Current investments are carried at lower of cost or market value.

5. Stock in trade

The stock in trade consists of agricultural, horticultural trees. The standing inventory is evaluated and valued by the management considering the type, life and strength cum growth of the trees / crop. The valuation is as per the best judgment of the management.

6. Revenue recognition

Brokerage income is accounted when the transaction is completed.

Interest income is booked on a time proportion basis, taking into account the amount invested and rate of interest.

Dividend Income on investments is recognised when the right to receive the dividend is established.

7. Retirement Benefit
As per the working and applicability of various welfare laws, no provision is required to be made for the retirement benefits.

8. Taxes on Income
Provision for current tax is made as per the provisions of Income Tax Act, 1961. Deferred Tax Liability/Asset resulting from timing difference between book and taxable profit is accounted for considering the tax rate and laws enacted as on balance sheet date. Deferred tax asset, if any, is recognised and carried forward only to the extent that there is virtual certainty that the asset will be realised in the future.

9. Preliminary Expenses
Preliminary expenses are written off to the extent of 10 percent per year.

B. Notes to Consolidated Financial Statements -
Contingent Liabilities not provided for is Nil (P.Y. Nil)
Particulars of Earning per share

	2008-09	2007-08
Net profit for the year (Rs.)	14,58,499	11,36,216
Weighted Number of Equity Shares (No)	63,83,155	63,83,155
Face value of 1 Equity Share (Rs.)	10	10
Earning Per Share (Rs.)	0.23	0.18

3. The management periodically reviews the outstanding debtors with a view to determining whether the debtors are good, bad or doubtful after taking in to consideration all the relevant aspects including the tangible, intangible, primary and collateral Security available, financial condition of debtors, the net-worth, standing and reputation of guarantor, if any, projected future performance of the debtors etc. Based on such review, the management determines the extent of bad debts to be written off or provision to be made for debts doubtful of recovery.

4. Loans & advances includes the amount advanced and dues from the companies, firms wherein directors are interested and the companies under the same management, in our opinion & as per explanations given to us by the management, such advances and the terms & conditions are in the normal course of business and are not prejudicial to the interest of the company.

5. The Prudential norms of Non Banking Financial (NBFC) Depository (Holding) Companies Prudential Norms (Reserve Bank) Directions, 2009 are applicable to the Company. In absence of the terms and conditions of the loans and repayment of the loans and advances, the Company has neither classified the assets of nor made any provision for doubtful debts in accordance with the Directions referred above.

6. In the opinion of the board of directors, loans, advances and other current assets are a ordinary source of business will not be less than the amount as stated in the balance sheet.
ii The provision for all known liabilities have been made except otherwise stated.

7. Deferred Tax Calculation

Particulars	2008-09	2007-08
Deferred Tax Liability	4,40,461	Nil
Deferred Tax Liability created for Timing difference of depreciation	1,67,002	1,67,002
Total	4,50,643	4,40,461

JHAVERI CREDITS & CAPITAL LIMITED

1. Remittance and Expenditure in Foreign Currency: Rs. Nil (P.Y. Nil).
2. Earnings in Foreign Currency: Rs. Nil (P.Y. Nil).
3. Related Party Disclosures
 - (1) **Relationships:**
 - (a) **Subsidiary of the Company.**
Maulik Kruti Resources Ltd.
Jhaveri Hightech Agro Ltd.
 - (b) **Associate:**
Jhaveri Fiscal Services Pvt. Ltd.
Jhaveri Infrastructure Pvt. Ltd.
Jhaveri Security Pvt. Ltd.
Karan Jeet Resources Pvt. Ltd.
 - (c) **Related parties where control exists:** --NIL--
 - (d) **Key Management Personnel:** Mr. R. J. Jhaveri
 - (e) Relatives of key management personnel and their enterprise where transactions have taken place:

<u>Name</u>	<u>Relationship</u>
S. K. Jhaveri	Relative of Director
S. B. Jhaveri	Relative of Director
S. J. Jhaveri	Relative of Director
M/s J. B. Jhaveri	Director's Proprietorship Concern
R. J. Jhaveri HUF	Director's HUF
Parth Jhaveri	Relative of Director
J. B. Jhaveri HUF	Director's HUF
B. R. Jhaveri	Relative of director

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

2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:

	Referred in 1(a) above	Referred in 1(b) above	Referred in 1 (c) Above	Referred in a (d) above	Referred in 1(e) above
Interest income on corporate deposit	--	--	--	--	--
Expenses	--	--	--	--	5.10
Interest on deposit	--	--	--	9.60	--
Remuneration to Director	--	--	--	--	--
Finance	--	--	--	--	--
Deposit taken during year	--	--	--	--	--
Inter corporate placed during year	--	--	--	--	--
Loan given	--	--	--	--	--
Loan Repaid	--	--	--	--	37.50
Investment made in share capital	--	--	--	--	--
Sale of investment in share Capital	--	--	--	--	16.00
Rendering services	--	--	--	--	--
Outstanding balances	--	--	--	--	--
Receivables	--	--	--	--	--

11. Figures of the previous year have been regrouped and rearranged wherever necessary to confirm to the current year's classification.

Mukund Bakshi

Partner

Mem. No. 41392

Place: Vadodara

Date: 20 July 2009

For Mukund & Rohit

Chartered Accountants

For Jhaveri Credits and Capital Ltd

Rajesh Jhaveri
Managing Director

Kamlesh Jhaveri
Director

Place: Vadodara

Date: 20 July 2009

Consolidated Cash Flow Statement for the year ended 31-03-2009

Particulars		2008-09	2007-08
A	Cash Flow from Operating Activities		
	Profit Before Taxation	2,318,681	2,331,878
	Adjustments for		
	Depreciation	852,160	986,712
	Preliminary Exp. Written off	20,943	20,943
	Assets Written off	157,466	374,609
	Loss / (Profit) on Sale of Assets	(443,366)	-
	Interest / Dividend Income	(989,256)	(374,984)
	Interest and Finance Charges	298,111	604,332
		(103,942)	1,611,612
B	Operating Profit before Working Capital Changes	2,214,739	3,943,490
C	Changes in Working Capital		
	Increase / (Decrease) in Current Liabilities & Provisions	13,763,964	(3,940,983)
	(Increase) / Decrease in Current Assets, Loans & Advances	(17,602,614)	7,857,852
D	Cash generated from Operations	(1,623,911)	7,860,359
E	Adjustment for		
	Direct Taxes Paid	(850,000)	(755,000)
	Expenses relating to earlier years		-
F	Net Cash from Operations	(2,473,911)	7,105,359
G	Investment Activities		
	Purchase of Fixed Assets	(405,397)	(531,620)
	Sale of Fixed Assets	1,600,150	-
	Sale of Investment	1,600,000	(425,000)
	Purchase of Investment	-	-
	Interest / Dividend Received	989,256	374,984
	Net Cash from Investment Activities	3,784,009	(581,636)
H	Financing Activities		
	Proceeds from Issue of Share Capital	-	-
	Repayment to Preference shareholders	-	(133,200)
	Increase / (Decrease) in Loan Funds	(2,216,270)	(1,779,879)
	Interest and Finance Charges Paid	(298,111)	(604,332)
	Net Cash from Financing Activities	(2,514,381)	(2,517,411)
I	Net Changes in Cash and Cash Equivalents during the yrs	(1,204,283)	4,006,312
J	Cash & Cash Equivalents at the Beginning of the Year	10,484,318	6,478,006
K	Cash & Cash Equivalents at the End of the Year	9,280,035	10,484,318
	Net Increase / (Decrease)	(1,204,283)	4,006,312

As per our report of even dated attached
For Mukund & Rohit
Chartered Accountants

Mukund Bakshi
Partner
Mem. No. 41392

Place : Vadodara
Date:- 20th July , 2009

On behalf of the Board

Shri Rajesh J Jhaveri
Managing Director

Shri Kamlesh J.Jhaveri
Director

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 15th Annual General Meeting of the Company held on Tuesday, the 1st September, 2009 at 11.00 a.m. 301, PAYAL TOWERS II, SAYAJIGUNJ, VADODARA-390005.

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. :

I/We _____ of _____ being the member/ members of Jhaveri Credits & Capital Limited, Baroda hereby appoint _____ of _____ or failing him _____ of _____ as my/our proxy to attend and vote for me/us and on my/our behalf at the 15th Annual General Meeting of the Company to be held on 1st September, 2009 and at any adjournment thereof.

Signed this _____ day of _____, 2009

Affix
One
Revenue

Rupee

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.

Book - Post

If undelivered please return to :

JHAVERI CREDITS & CAPITAL LIMITED

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