



26th
ANNUAL REPORT

2008 - 2009

J. J. FINANCE CORPORATION LTD.

J. J. FINANCE CORPORATION LTD.

BOARD OF DIRECTORS

MR. ANIL JHUNJHUNWALA
MR. RAJESH PODDAR
MR. SANJAY KUMAR GUPTA
MR. S. P. MUKHERJEE
MR. MANOJ MEHTA

REGISTERED OFFICE

3C, PARK PLAZA, 71, PARK STREET,
KOLKATA - 700 016
TEL : 2229-6000, FAX : 2229-1089

BANKER

INDIAN OVERSEAS BANK

AUDITORS :

CHATURVEDI & PARTNERS
Chartered Accountants
1/1, MEREDITH STREET, KOLKATA-700 072

SHARE TRANSFER AGENT

M/S. NICHE TECHNOLOGIES PVT. LTD.
D-511, BAGREE MARKET, 71, B.R.B. BASU ROAD,
KOLKATA-700-001

LEGAL ADVISORS :

R. L. GAGGAR & CO.

J. J. FINANCE CORPORATION LTD.

NOTICE TO SHAREHOLDERS :

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Members of the company will be held on Saturday, the 19th day of September, 2009 at 1:00 pm. at 3C, Park Plaza, 71, Park Street, Kolkata - 700 016 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as on 31.03.2009 and the Profit & Loss Account for the year ended on that day and report of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Sanjay Kumar Gupta, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

NOTES :

- a. *A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. A Proxy need not be a member of the company.*
- b. *Proxies, in order to be valid, must be received by the registered office of the company not less than 48 hours before the commencement of the aforesaid meeting. Proxy forms are sent herewith.*
- c. Members holding shares in physical form are requested to notify any change in their address including pin code, Bank Mandate, Income Tax Permanent Account Number, etc. to the Company's Registrar and Transfer Agents :-
Niche Technologies Pvt. Ltd.
D-511, Bagree Market, 71 B.R.B.Basu Road
Kolkata-700 001
Member holding shares in dematerialised form are requested to furnish the information to their respective depository participants for updation of the changes.
- d. The Register of members of the company and the share transfer register will remain closed from the 14th September, 2009 to 19th September, 2009 (both days inclusive).
- e. Members are requested to bring their copies of the Annual Report and the attendance slip sent herewith to attend the Annual General meeting.

Registered Office :

3C, Park Plaza, 71, Park Street
Kolkata - 700 016
Dated : 12.08.2009

For and on behalf of the Board

Anil Jhunjunwala
Director

J. J. FINANCE CORPORATION LTD.

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the Twenty Sixth Annual Report, and the Audited Accounts on the business and operations of your Company for the year ended 31st March, 2009

FINANCIAL RESULTS :

(Rupees in 000's)

	2008-2009	2007-2008
Gross Income	6411	8435
Profit Before Depreciation and Tax	4598	4789
Depreciation	1257	1265
Profit Before Tax	3341	3524
Provision for tax	951	1302
(Add) / Less:		
Income tax adjustments for earlier years (net)	(27)	961
Profit after tax	2417	1261
Add: Balance from previous year	6089	5428
Less: Transferred to Deferred Tax on 1st April, 2008	2615	-
Less: Transfer to General Reserve	600	600
Profit carried forward to Balance Sheet	5291	6089

OPERATION :

The year under review witnessed a generally depressed money market in which Non Banking Financial Companies found it very difficult to achieve profitability. Besides, general liquidity problem, the business of NBFC's suffered a major set back mainly due to overall economic slowdown, slump in Stock Markets and sharp fall in interest rates. After depreciation and tax, the company has been able to generate a profit of Rs. 24.17 lacs.

DIVIDEND :

In order to consolidate the position of the company, Directors do not recommend any Dividend for the year ended 31st March, 2009.

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

The Company had no activities relating to conservation of energy or technology absorption. The company neither had foreign exchange earnings nor had any foreign exchange outgo.

PARTICULARS OF EMPLOYEES :

The Company does not have any employee coming under the provision of Sec. 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 (as amended).

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to section 217(2AA) of the Companies Act, 1956, Your directors confirm that :

1. That in the preparation of the Company's Annual Accounts, the applicable Accounting Standards have been followed and there is no material departure from the same.
2. That 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 year.
3. That the Directors have taken proper and sufficient 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 frauds and other irregularities.
4. That the Directors have prepared the Annual Accounts on a going concern basis.

J. J. FINANCE CORPORATION LTD.

DISCLOSURE PURSUANT TO LISTING AGREEMENT

Necessary disclosures pursuant to listing agreement is made in Annexure "A" to this Report.

DEMATERIALISATION OF SHARES

Your Company has signed agreements with NSDL and CDSL making the Company's Equity Shares available for Dematerialisation.

DIRECTORS

Mr. Sanjay Kumar Gupta, Director retire at the ensuing Annual General Meeting and, being eligible, offer himself for reappointment.

DEPOSITS

The amount of Public Deposits with the company as on 31.3.2009 stood "NIL".

AUDITORS

M/s. Chaturvedi & Partners, Chartered Accountants, Auditors of the Company will retire at the ensuing Annual General Meeting of the Company and, being eligible, offer themselves for re-appointment. They have furnished a certificate to the effect that their re-appointment, if made will be in accordance with the limits specified in section 224(1B) of the Companies Act, 1956. The Board recommends their re-appointment as statutory auditors of the company for the year 2009 - 2010.

ACKNOWLEDGEMENT

The Directors thanks the shareholders, the employees, the customers and well wishers of the Company for their continued support and co-operation.

For and on behalf of the Board

Place : Kolkata
Date : 12.08.2009

Anil Jhunjunwala
S. P. Mukherjee

Directors

ANNEXTURE "A" TO THE DIRECTORS REPORT

Information regarding Listed Securities as required under the Listing Agreement.

<u>Name and Address of the Stock Exchange</u>	<u>Security Listed</u>	<u>Code</u>
1. The Kolkata Stock Exchange Association Ltd. 7, Lyons Range, Kolkata - 700 001	Equity Shares	20076
2. The Stock Exchange, Mumbai Floor - 25, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001	Equity Shares	523062

The Listing fees to these Stock Exchanges for the Financial Year 2009-2010 have been paid.

J. J. FINANCE CORPORATION LTD.

AUDITORS' REPORT

To
The Members
J. J. Finance Corporation Limited

We have audited the attached Balance Sheet of J. J. Finance Corporation Limited as at 31st March 2009 and the Profit & Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. 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.

1. 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 mis-statement. An audit includes examining, on 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors' Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matter specified in paragraphs 4 and 5 of the said Order.
3. Further to our comment in annexure referred to in paragraph 2 above, we report that :
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of Account;
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of Section 211 of the Companies Act, 1956 except AS 15 regarding accounting for retirement benefits for "Gratuity and Leave Encashment" to employee(s) are on cash basis as stated in Note No. 1.3 of Schedule 'N' of Notes to the Accounts;
 - e) In our opinion and based on information and explanations given to us, none of the directors are disqualified as on March 31, 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 said accounts, subject to note 6 of schedule 'N' regarding pending confirmation & reconciliation, read together with the Significant Accounting Policies and Other Notes on Accounts in Schedule 'N' give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March 2009;
 - (ii) In so far as it relates to the Profit & Loss Account, of the Profit of the Company for the year ended on that date; and
 - (iii) In so far as it relates to the Cash Flow Statement, of the Cash Flow of the Company for the year ended on that date.

For CHATURVEDI & PARTNERS
Chartered Accountants

Place - Kolkata
Dated - 12.08.2009

A. K. DUBEY
Partner

Membership No. 54975

ANNEXURE TO THE AUDITORS' REPORT

(REFERRED TO IN PARAGRAPH 2 OF OUR REPORT OF EVEN DATE)

1. In respect of its fixed assets :

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b. As explained to us, the fixed assets have been verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c. In our opinion, the Companies has not disposed of substantial part of fixed assets during the period and the going concern status of the Company is not affected.

2. a) The inventories have been physically verified during the year by the management at reasonable intervals.

- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- c) On the basis of our examination, we are of the opinion that the Company is maintaining proper records of inventory. No material discrepancies were noticed on verification between the physical stocks and the book records.

3. (A) Loan Given

During the year the Company has granted loan to three Companies covered in the Register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.265.50 lacs and the year*end aggregate balance was Rs. 173.76 lacs.

In our opinion, the rate of interest and other terms and conditions on which loans have been granted to the Companies listed in the Register maintained under Section 301 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the company.

The fresh loan granted by the company has not fallen due for repayment during the year; hence the question of repayment of principal amount does not arise however, the party has been regular in payment of interest.

In respect of the aforesaid loans, there is no overdue amount.

(B) Loan Taken

The Company has not taken any loan from any Company listed in the register maintained under section 301 of the Companies Act, 1956.

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 for the purchase of fixed assets and investments and also for the sale of fixed assets and investments. During the course of audit, we have not observed any major weaknesses in internal control system.
5. a) 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) The Company has not entered into transactions in pursuance of contracts / arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year.
6. The Company has not accepted any deposits from public.
7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. We have been informed that the Central Government has not prescribed the maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956 for any of the product of the Company.

J. J. FINANCE CORPORATION LTD.

9. **In respect of statutory dues :**
- a. The undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been regularly deposited with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid dues were outstanding as on 31st March, 2009 for a period of more than six months from the date of becoming payable.
 - b. There are no dues outstanding of income tax, sales tax, wealth tax, custom duty, service tax, excise duty, and cess on account of any dispute.
10. The Company has no accumulated losses as at 31st March, 2009. The Company has not incurred any cash loss during the year under audit and in the immediate preceding financial year.
 11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
 12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
 13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund society therefore, clause 4(xiii) of Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the company.
 14. The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the Company in its own name.
 15. The Company has not given any guarantee for loans taken by others from bank or financial institutions.
 16. The Company has not raised any new term loans during the year; and hence the question of their application for intended purpose, does not arise.
 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 which have been used for long term investment.
 18. During the year, the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
 19. According to the information and explanations given to us, during the period covered by our audit Report, the company has not issued debentures.
 20. The company has not raised any money by way of public issue during the year under audit.
 21. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year under audit that causes the financial statement to be materially misstated.

For CHATURVEDI & PARTNERS
Chartered Accountants

Place - Kolkata
Dated - 12.08.2009.

A. K. DUBEY
Partner
Membership No. 54975

J. J. FINANCE CORPORATION LTD.

BALANCE SHEET AS AT 31ST MARCH 2009

	SCHEDULE	<u>31.03.2009</u>	<u>31.03.2008</u>
<u>SOURCES OF FUNDS :</u>		<u>Rs.</u>	<u>Rs.</u>
SHAREHOLDERS FUNDS :			
a) Capital	A	28,200,000	28,200,000
b) Reserves & Surplus	B	7,091,031	7,289,542
Deferred Tax Liability - Net (Note No. 3 of Schedule - N)		2,293,927	-
TOTAL		<u>37,584,958</u>	<u>35,489,542</u>
<u>APPLICATIONS OF FUNDS :</u>			
Fixed Assets	C		
Gross Block		32,363,778	32,810,209
Less : Depreciation		24,664,806	24,211,915
Net Block		<u>7,698,972</u>	<u>8,598,294</u>
Investments :	D	19,60,106	16,960,106
Current Assets, Loans and Advances :			
Inventories	E	843,893	870,007
Sundry Debtors	F	-	335,674
Cash and Bank Balances	G	10,740,678	7,940
Loans and Advances	H	17,474,188	10,495,095
		<u>29,058,759</u>	<u>11,708,716</u>
Less : Current Liabilities and Provisions			
Current Liabilities	I	1,132,879	1,777,574
Net Current Assets		<u>27,925,880</u>	<u>9,931,142</u>
TOTAL		<u>37,584,958</u>	<u>35,489,542</u>
Notes to the Accounts	N		

(Schedules form an integral part of accounts)

As per our report of this date annexed
For CHATURVEDI & PARTNERS
Chartered Accountants

For and on behalf of the Board

A. K. DUBEY
Partner
Membership No. 54975
Place : Kolkata
Date : 12.08.2009

ANIL JHUNJHUNWALA
Director

S. P. MUKHERJEE
Director

J. J. FINANCE CORPORATION LTD.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	SCHEDULE	31.03.2009	31.03.2008
		Rs.	Rs.
INCOME:			
Income from operation	J	4,680,609	2,945,442
Electricity Generation		1,319,328	1,642,906
Profit on sale of Investment in Flat		-	1,477,840
Sale of Shares		410,777	2,369,289
TOTAL		6,410,714	8,435,477
EXPENDITURE:			
Cost of Sale of Shares	K	1,086,510	2,832,132
Salary & Other Benefits to Employees	L	57,316	55,758
Administrative, Operating and Other Expenses	M	668,288	758,244
TOTAL		1,812,114	3,646,134
Profit (before Depreciation & Tax)		4,598,600	4,789,343
Less : Depreciation		1,257,322	1,264,900
Profit Before Tax		3,341,278	3,524,443
Less / (Add)			
Current Tax		1,266,000	1,300,000
Deferred Tax Net - (Asset)		(321,768)	-
Provision for Fringe Benefit Tax		6,900	2,500
Income Tax for earlier year(s) (Net)		(27,038)	960,802
Profit after Tax		2,417,184	1,261,141
Balance brought forward from previous year		6,089,542	5,428,401
Balance available for appropriation		8,506,726	6,689,542
Transfer to Reserve Fund		600,000	600,000
Balance Transferred to Balance Sheet		7,906,726	6,089,542
		8,506,726	6,689,542
Basic & Diluted earning per share (Rs. 10/- each) (Refer Point No. 11 of Notes on Accounts)		0.86	0.45
Notes to the Accounts (Schedules form an integral part of accounts)	N		

As per our report of this date annexed
For CHATURVEDI & PARTNERS
Chartered Accountants

For and on behalf of the Board

A. K. DUBEY
Partner
Membership No. 54975
Place : Kolkata
Date : 12.08.2009

ANIL JHUNJHUNWALA
Director

S. P. MUKHERJEE
Director

J. J. FINANCE CORPORATION LTD.

SCHEDULES A TO I FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

	<u>31.03.09</u>	<u>31.03.08</u>
	<u>Rs.</u>	<u>Rs.</u>
SCHEDULE 'A'		
SHARE CAPITAL		
Authorised :		
60,00,000 Equity Shares of Rs. 10/- each	<u>60,000,000</u>	<u>60,000,000</u>
Issued, subscribed and paid up :		
28,20,000 Equity Shares of Rs. 10/- each fully paid.	<u>28,200,000</u>	<u>28,200,000</u>
SCHEDULE 'B'		
RESERVES & SURPLUS		
Reserves Fund		
Opening Balance	1,200,000	600,000
Add : Transferred from Profit & Loss Account	600,000	600,000
	<u>1,800,000</u>	<u>1,200,000</u>
Profit & Loss Account		
Opening Balance	6,089,542	5,428,401
Less: Deferred Tax Liability (In the begining of the year)	2,615,695	-
Add : Profit for the year	1,817,184	661,141
	<u>5,291,031</u>	<u>6,089,542</u>
	<u>7,091,031</u>	<u>7,289,542</u>

J. J. FINANCE CORPORATION LTD.

SCHEDULES A TO I FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

SCHEDULE 'E'

INVENTORIES

Stock of Shares	843,893	870,007
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SCHEDULE 'F'

SUNDRY DEBTORS

Other Debts:		
Un-Secured - Considered Good		335,674

SCHEDULE 'G'

CASH AND BANK BALANCES

Cash-in-hand (as certified)	9,742	7,940
Cheque in hand	8,000,000	-
Balances With Scheduled Banks		
In Current Account	2,730,936	-
	<u>10,740,678</u>	<u>7,940</u>

SCHEDULE 'H'

LOANS AND ADVANCES :

(Unsecured, considered good)

Loans - Bodies Corporate	17,376,255	9,516,197
Income Tax Advance (Net)	62,330	918,793
Fringe Benefit Tax (Net)	(3,600)	76
Other Advances	39,203	60,029
	<u>17,474,188</u>	<u>10,495,095</u>
	<u>29,058,759</u>	<u>11,708,716</u>

SCHEDULE 'I'

CURRENT LIABILITIES & PROVISIONS

Current Liabilities		
Sundry Creditors	62,876	30,330
Other Liabilities	20,003	27,955
Security Deposits/Advances from Customers	1,050,000	1,648,992
Bank Overdraft (due to reconciliation)	-	70,297
	<u>1,132,879</u>	<u>1,777,574</u>

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

SCHEDULE 'C'

(FIGURE IN RUPEES)

FIXED ASSETS <u>PARTICULARS</u>	<u>GROSS BLOCK</u>				<u>DEPRECIATION</u>				<u>NET BLOCK</u>	
	AS AT 01.04.08	ADDITIONS	DEDUCTIONS	AS AT 31.03.09	AS AT 01.04.08	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENTS	AS AT 31.03.09	AS AT 31.03.09	AS AT 31.03.08
LEASED ASSETS :										
Machinery and Plant	7,268,132	-	-	7,268,132	7,195,451	-	-	7,195,451	72,681	72,681
Vehicles	1,701,681	-	-	1,701,681	1,684,664	-	-	1,684,664	17,017	17,017
Sub- Total	8,969,813	-	-	8,969,813	8,880,115	-	-	8,880,115	89,698	89,698
OTHER ASSETS :										
Land & Building	1,45,000	-	-	1,45,000	-	-	-	-	1,45,000	1,45,000
Machinery and Plant- Wind Mill	21,560,038	-	-	21,560,038	13,660,440	1,138,370	-	14,798,810	6,761,228	7,899,598
- Others	780,020	-	-	780,020	502,468	33,217	-	535,685	244,335	277,552
Vehicles	804,431	358,000	804,431	358,000	753,897	55,845	804,431	5,311	352,689	50,534
Furniture & Fitting	550,907	-	-	550,907	414,995	29,890	-	444,885	106,022	135,912
Sub- Total	23,840,396	358,000	804,431	23,393,965	15,331,800	1,257,322	804,431	15,784,691	7,609,274	8,508,596
Total	32,810,209	358,000	804,431	32,363,778	24,211,915	1,257,322	804,431	24,664,806	7,698,972	8,598,294
Previous Year	32,810,209	-	-	32,810,209	22,947,015	1,264,900	-	24,211,915	8,598,294	

J. J. FINANCE CORPORATION LTD.

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

SCHEDULE 'D'		31.03.09		31.03.08	
INVESTMENT : (At Cost - Other than Trade - Long Term Investments)	Face Value	Units	Rs.	Units	Rs.
i) QUOTED SHARES (Fully paid up)					
Wopolin Plastic Ltd. (Formerly : Bajaj Plastics Ltd.)	10	6000	300,000	6000	300,000
Ceeta Industries Ltd.	10	1000	19,028	1000	19,028
Indian Hotels Ltd.	1	4800	546,241	4,800	546,241
Ambuja Cements Ltd.	2	4500	106,450	4500	106,450
The India Cements Ltd.	10	50	9,556	50	9,556
Thanjavur Textiles Ltd.	10	1000	185,925	1000	185,925
J.J. Automotive Ltd.	10	17900	177,821	17900	177,821
Pradeep Drugs Co. Ltd.	10	1050	14,665	1050	14,665
Recron Synthetics Ltd. (Formerly Raymond Synthetics Ltd.)	2	500	13,843	500	13,843
Navcom Oil Products Ltd.	10	500	22,330	500	22,330
Nageswar Investment Ltd.	10	30000	174,100	30000	174,100
Tata Steel Ltd. - Right Shares	10	15	4,500	15	4,500
Tata Steel Ltd. - CCPS	100	67	6,700	67	6,700
			1,581,159		1,581,159
ii) MUTUAL FUND					
Fidelity Liquid Plus Fund	10	-	-	248580.605	25,00,000
ING Fixed Maturity Fund	10	-	-	1000000.000	100,00,000
Reliance Interval Fund	10	-	-	249745.260	25,00,000
					15,00,000
iii) UNQUOTED SHARES (Fully paid up)					
J J Projects (P) Ltd.	10	13,126	1,64,947	13,126	1,64,947
Pinnacle Leasing & Finance (P) Ltd.	10	1,400	14,000	1,400	14,000
Kohinoor Stockbroking (P) Ltd.	10	10,000	100,000	10,000	100,000
KPJ Estates Pvt. Ltd.	10	10,000	100,000	10,000	100,000
			378,947		378,947
Total			19,60,106		16,960,106
i) Aggregate Value of Quoted Investment (i+ii)			1,581,159		16,581,159
ii) Aggregate Value of Unquoted Investment (iii)			378,947		378,947
			19,60,106		16,960,106
iii) Market Value of Quoted Investment			2,153,606		17,769,802

J. J. FINANCE CORPORATION LTD.

SCHEDULES J TO N FORMING PART OF THE PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2009

	<u>31.03.09</u>	<u>31.03.08</u>
	<u>Rs.</u>	<u>Rs.</u>
SCHEDULE 'J'		
INCOME FROM OPERATION		
Interest (Tax deducted at source Rs. 535469/-, Previous year Rs. 420934/-)	2,604,355	2,027,233
Security Deposit Written Back	598,992	-
Dividend	295,702	83,341
Profit on sale of Shares (Long Term) (Net)	-	355,799
Profit/(Loss) on Sale of mutual Fund (Net)	(2,684)	96,634
Bad Debts Recovered	801,000	-
Interest on IT Refund	251,244	382,435
Profit on sale of Fixed Assets	132,000	-
	<u>4,680,609</u>	<u>2,945,442</u>
SCHEDULE 'K'		
COST OF SALE OF SHARES		
Stock at Commencement	870,007	-
Add Purchase	1,060,396	3,702,139
Less Stock at Close	843,893	870,007
	<u>1,086,510</u>	<u>2,832,132</u>
SCHEDULE 'L'		
SALARY		
Salary, Allowances & Other Benefits	55,143	53,050
Provident Fund	2,173	2,708
	<u>57,316</u>	<u>55,758</u>
SCHEDULE 'M'		
ADMINISTRATIVE, OPERATING AND OTHER EXPENSES		
Printing and Stationery	3,366	4,864
Conveyance Charges	4,400	5,600
Advertisement Charges	4,540	2,997
Telephone Expenses	13,331	13,149
Insurance	92,442	74,698
Rent	-	4,500
Legal Expenses	11,465	28,035
Stipend	50,645	55,971
Auditor's Remuneration :		
- Audit Fee	5,515	5,618
- Tax Audit Fees	5,515	5,618
- Certification fees	6,243	8,430
	<u>17,273</u>	<u>19,666</u>
Repairs And Maintenance :		
- Plant & Machinery - (Wind Mill)	380,219	435,604
- Others	13,483	12,908
	<u>393,702</u>	<u>448,512</u>
Miscellaneous Expenses	55,540	78,852
Listing fee	21,584	20,700
Sundry Balance written off	-	700
	<u>668,288</u>	<u>758,244</u>

SCHEDULE 'N'**NOTES ON ACCOUNTS****1. ACCOUNTING POLICIES****1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS :**

- 1.1.1 The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company.
- 1.1.2 Accounting policies not specifically referred to otherwise are consistent and in accordance with generally accepted accounting principles.

1.2 INCOME & EXPENDITURE RECOGNITION:

Income & Expenditure unless otherwise stated, are accounted for on accrual basis except income from Dividends which is accounted for as and when actually received.

1.3 EMPLOYEE BENEFITS :

Retirement benefits to employees such as Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and The Payment of Gratuity Act, 1972 are not applicable to the "company" as number of employee is below the Statutory limit as prescribed by the above Acts, However, Company is contributing in Public Provident Fund and equal amount is being contributed by the employee(s) in every month and deposited in a Scheduled Bank.

The company does not have the policy of extending leave encashment benefits to its employees.

1.4 FIXED ASSETS :

Fixed Assets are stated at Cost, including cost of installation, less depreciation.

1.5 DEPRECIATION :

Depreciation has been provided on assets as follows :

- On leased assets acquired as per Capital Recovery Method whereby the cost of assets, net of residual value are fully depreciated within the primary lease period.
- On other assets on straight line rates as specified in Schedule XIV of the Companies Act, 1956.

1.6 INVESTMENT :

Investments, being long term in nature, are stated at cost. Diminution in their values, unless considered to be of permanent nature, is not recognized and provided for in the accounts.

1.7 INVENTORIES :

Inventories are valued at lower of cost or net realizable value.

1.8 TAX ON INCOME :

Income tax expense comprises current tax and deferred tax charge. Deferred tax is recognized on timing differences, being the difference between taxable income and accounting income that originate in the one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized only if there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset will be realized. Such assets are reviewed as at Balance Sheet date to reassess realisability thereof.

J. J. FINANCE CORPORATION LTD.

2. The Company has followed the prudential norms for income recognition and provisioning against non performing assets as prescribed by the Reserve Bank of India for Non Banking Financial Companies.

3. 1. **Deferred Tax Liability (1st April, 2008) :** Rs.

Deferred Tax Liability at the beginning of the year on account of Depreciation and resultant Written Down Value of Depreciable Fixed Assets as per the books of Accounts and as per the Income Tax Act. adjusted against General Reserve	(A)	26,15,695
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2. **Deferred Tax (Assets)/ Liability as at 31st March 2009 :**

a) Deferred Tax Assets on account of Depreciation and resultant Written Down Value at the end of the year	(3,62,556)	
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b) Deferred Tax Liability on account of Profit on Sale of Fixed Assets (as per books)	40,788	
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Deferred Tax Assets adjusted in the Profit and Loss Account	(B)	(3,21,768)
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	(A) - (B)	22,93,927
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4. a) There are no Small Scale Industrial undertakings to whom the company owes any sum which is outstanding for more than 30 days as on 31.03.2009.

b) The Company has not received any information from its suppliers regarding registration Under "The Micro, Small and Medium Enterprises Development Act, 2006". Hence, the information required to be given in accordance with Section 22 of the said Act, is not ascertainable and not disclosed.

5. The Provisions of the Payment of Gratuity Act, 1972, the Employees Provident Funds & Miscellaneous Provisions Act, 1952 and Employees State Insurance Act, 1948 are not applicable to the Company.

6. Some of the debit & credit balances are pending for confirmation / reconciliation, and impact of the same on the account, if any, is unascertained.

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7. Information pursuant to the provisions of paragraph 3 of Part II of Schedule VI of the Companies Act, 1956 for wind power project.

	Year ended 31.3.09	Year ended 31.03:08
Installed capacity of Electricity Generation	1200 KW	1200 KW

Particulars in respect of production, sales & stock of Electricity Generation (in Thousands) and Value (in Lacs).

Opening Stock		Generation		Sales		Closing Stock	
Qty. KW	Value Rs.	Qty. KW	Value Rs.	Qty. KW	Value Rs.	Qty. KW	Value Rs.
-	-	490.00	13.21	489.00	13.19	-	-

Out of the total generation, 1KW is adjusted against power import.

8. **Segment Reporting**

The Company's Operations mainly consist of Finance & Generation of Electricity through Wind Power Mill.

Sl. No.	Particulars	Amount (Rs. in lakhs)
1.	Segment Revenue	
	i) Finance Business	50.92
	ii) Electricity Generation	13.19
	Net Sales / Income from Operations	64.11
2.	Segment Results	
	Profit / (Loss) before Tax & Interest from each segment	
	i) Finance Business	36.63
	ii) Electricity Generation	(3.22)
	Less : Interest	-
	Profit / (Loss) before Tax	33.41
3.	Capital Employed (Segment Assets Less Segment Liabilities)	
	i) Finance Business	306.79
	ii) Electricity Generation	69.06
	Total	375.85
9.	Related Party Disclosures	
A.	Key Management Personnel	
	Mr. Anil Jhunjhunwala	Director
	Mr. Sanjay Gupta	Director
	Mr. S.P. Mukherjee	Director
	Mr. Rajesh Poddar	Director
	Mr. Manoj Mehta	Director
B.	Details of transactions with persons referred to item A above is NIL.	

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C. Associate Company

Loan Given :	Principal	Interest	Total
Opening Balance	Rs. / Lacs	Rs. / Lacs	Rs. / Lacs
J.J. Automotive Limited	-	8.11	8.11
J.J. Projects Private Limited	20.00	1.61	21.61
K.P.J. Estates Private Limited	60.49	4.95	65.44
Total	80.49	14.67	95.16

Addition / Accrued during the year

J.J. Automotive Limited	381.50	17.95	399.45
J.J. Projects Private Limited	-	1.78	1.78
K.P.J. Estates Private Limited	96.51	5.27	101.78
Total	478.01	25.00	503.01

Refund / Repaid during the year

J.J. Automotive Limited	272.00	11.81	283.81
J.J. Projects Private Limited	20.00	3.39	23.39
K.P.J. Estates Private Limited	107.00	10.21	117.21
Total	399.00	25.41	424.41

Closing Balance

J.J. Automotive Limited	109.50	14.25	123.75
J.J. Projects Private Limited	-	-	-
K.P.J. Estates Private Limited	50.00	0.01	50.01
Total	159.50	14.26	173.76

J. J. FINANCE CORPORATION LTD.

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

10.	<u>2008 - 09</u>	<u>2008 - 09</u>	<u>2007 - 08</u>	<u>2007 - 08</u>
	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
A. CASH FLOW FROM OPERATING ACTIVITIES :				
a. Net profit before Tax and Extraordinary items	3,341,278		3,524,443	
Adjustments for :				
1. Depreciation	1,257,322		1,264,900	
2. Interest Received	(2,604,355)		(2,027,233)	
3. Dividend Received	(2,95,702)		(83,341)	
4. Profit on sale of Flat	-		(1,477,840)	
5. Profit / (Loss) on sale of Investment (Net)	2,684		(96,634)	
6. Profit or Loss on sale of Shares (Net)	-		(355,799)	
7. Profit or sale on Fixed Assets	(132,000)		-	
b. Operating Profit before Working Capital changes	<u>1,569,227</u>		<u>748,496</u>	
Adjustments for :				
1. Trade and other Receivables	356,500		4,638,003	
2. Trade Payables	(644,695)		(130,348)	
3. Inventories	26,114		870,007	
c. Cash generated from Operations	<u>1,307,146</u>		<u>6,126,158</u>	
Advance Tax Paid	(385,723)		(1,250,561)	
d. Cash Flow before Extraordinary Items	<u>921,423</u>		<u>4,875,597</u>	
Extraordinary Items	-		-	
Net Cash Flow/(used in) from Operating Activities		921,423		4,875,597
B. CASH FLOW FROM INVESTMENT ACTIVITIES :				
Purchase of Investments	-		(15,167,200)	
Sale of Investments	14,997,316		6,210,217	
Purchase of Fixed Assets	(358,000)		-	
Sale of Fixed Assets	1,32,000		-	
Interest received	2,248,930		683,498	
Dividend received	295,702		83,341	
Net Cash flow from Investing Activities		<u>17,315,948</u>		<u>(8,190,144)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Short Term Loan Given	(7,504,633)		1,900,000	
Net Cash used in Financing Activities		<u>(7,504,633)</u>		<u>1,900,000</u>
Net increase/(decrease) in Cash and Cash Equivalents		10,732,738		(1,414,547)
Cash and Cash Equivalents (Opening Balance)		7,940		1,422,487
Cash and Cash Equivalents (Closing Balance)		<u><u>10,740,678</u></u>		<u><u>7,940</u></u>

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Notes :

- i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- ii) Cash & Cash Equivalent at the end of the year consists of :

	Rs.	Rs.
a) Cash in Hand	9,742	7,940
b) Cheques in Hand	8000000	-
c) Balances with Banks	2730936	-
	<u>10,740,678</u>	<u>7,940</u>

11. Basic and Diluted Earning Per Share:

For the purpose of calculation of Basic and Diluted Earning Per Share the following amount are considered :-

Particulars	For the year Ended	For the year Ended
	31.03.2009	31.03.2008
a) Net Profit after Tax (Rs.) available for Equity Shares Rs. 10/- each.	2,417,184	1,261,141
b) Number of Equity Shares of Rs. 10/- each	28,20,000	28,20,000
c) Basic and Diluted Earning Per Share (a / b) (in Rs.)	0.86	0.45

12. Previous year's figures have been regrouped/rearranged/recasted wherever necessary.

13. Financial figures have been rounded off to nearest rupees.

Signatures to Schedule 'A' to 'N'

As per our report of this date annexed
For **CHATURVEDI & PARTNERS**
Chartered Accountants

For and on behalf of the Board

A. K. DUBEY
Partner
Member No. 54975
Place : Kolkata
Date : 12.08.2009

ANIL JHUNJHUNWALA
Director

S. P. MUKHERJEE
Director

J. J. FINANCE CORPORATION LTD.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (AS PER SCHEDULE VI, PART IV OF THE COMPANIES ACT, 1956)

I. Registration Details

Registration Number

3	5	0	9	2
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State Code

2	1
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(REFER CODE LIST)

Balance Sheet Date

3	1
---	---

0	3
---	---

0	9
---	---

Date Month Year

II. Capital Raised during the Year (Amount in Thousands)

Public Issue

			N	I	L				
--	--	--	---	---	---	--	--	--	--

Right Issue

			N	I	L				
--	--	--	---	---	---	--	--	--	--

Bonus Issue

			N	I	L				
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Private Placement

			N	I	L				
--	--	--	---	---	---	--	--	--	--

III. Position of mobilisation and deployment of funds (Amount in Thousands)

Total Liabilities

			3	7	5	8	5
--	--	--	---	---	---	---	---

Total Assets

			3	7	5	8	5
--	--	--	---	---	---	---	---

Sources of Funds

Paid up Capital

			2	8	2	0	0
--	--	--	---	---	---	---	---

Reserve & Surplus

			9	3	8	5
--	--	--	---	---	---	---

*

Secured Loans

			N	I	L				
--	--	--	---	---	---	--	--	--	--

Unsecured Loans

			N	I	L				
--	--	--	---	---	---	--	--	--	--

Application of Funds

Net Fixed Assets

			7	6	9	9
--	--	--	---	---	---	---

Investment

			1	9	6	0
--	--	--	---	---	---	---

Net Current Assets

			2	7	9	2	6
--	--	--	---	---	---	---	---

Deferred Tax Assets

			N	I	L				
--	--	--	---	---	---	--	--	--	--

Accumulated Losses

			N	I	L				
--	--	--	---	---	---	--	--	--	--

Misc. Expenditure

			N	I	L				
--	--	--	---	---	---	--	--	--	--

* Includes Deferred Tax Liabilities of Rs. 22,93,927/-

IV. Performance of company (Amount in Thousands)

Turnover

			6	4	1	1
--	--	--	---	---	---	---

Total Expenditure

			1	8	1	2
--	--	--	---	---	---	---

Profit before tax

	+		3	3	4	1
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Profit after tax

	+		2	4	1	7
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Earning per share in Rs.

			0	.	8	6
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Dividend rate %

			N	I	L				
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V. Generic Name of three principal Products/services of the company :

- Item Code No. (ITC Code)
Product Description

NOT AVAILABLE

L	E	A	S	I	N	G		A	N	D		H	I	R	E			
P	U	R	C	H	A	S	E	.	F	I	N	A	N	C	I	N	G	
P	O	W	E	R		G	E	N	E	R	A	T	I	O	N			

For and on behalf of the Board

Place : Kolkata
Date : 12.08.2009

ANIL JHUNJHUNWALA
Director

S. P. MUKHERJEE
Director