



GUJARAT CREDIT CORPORATION LIMITED

ANNUAL REPORT 2010-2011

GUJARAT CREDIT CORPORATION LIMITED

BOARD OF DIRECTORS : SHRI BAHUBALI S. SHAH - CHAIRMAN
SHRI AMAM S. SHAH - DIRECTOR
SHRI SHRIRAJ S. JHAVERI - DIRECTOR
SHRI VIPUL H. RAJA - DIRECTOR
SHRI L. N. PATEL - DIRECTOR

AUDITORS : M/S. PARIKH MEHTA & ASSOCIATES
CHARTERED ACCOUNTANTS
2, HAPPY HOME APPARTMENTS,
10, SAMPATARAO COLONY,
R. C. DUTT ROAD,
BARODA - 390 005.

REGD. OFFICE : 606, SAKAR-I,
OPP. NEHRU BRIDGE,
ASHRAM ROAD,
AHMEDABAD - 380 009.

GUJARAT CREDIT CORPORATION LIMITED

Regd. office : 606, Sakar-1, Opp. Nehru Bridge, Ashram Road, Ahmedabad-380 009.

NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of Gujarat Credit Corporation Limited will be held on Wednesday, 28th September, 2011 at 10.30 a.m. at 606, Sakar-1, Opp: Nehru Bridge, Ashram Road, Ahmedabad to transact the following business.

ORDINARY BUSINESS

1. To receive consider & adopt the Balance Sheet as at 31st March, 2011, the Profit & Loss Account for the year ended on that date and the reports of the Directors' & Auditors thereon..
2. To appoint Director in place of Shri Amam S. Shah who being eligible offers himself for reappointment.
3. To appoint Director in place of Shri Shiraj Jhaveri, who being eligible offers himself for reappointment.
4. To appoint M/s. Parikh Mehta & Associates, Chartered Accountants, Ahmedabad as Auditors of the Company to hold office from conclusion of this Annual General Meeting till conclusion of next Annual General Meeting at a remuneration to be decided by the Board of Directors of the Company.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED that in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (“the Act”), the Company hereby approves appointment of Mr. Amam Shah as Managing Director of the Company for a period of five years with effect from 1st July, 2011, upon the terms and conditions, as are set out in the draft Agreement (“the Agreement”) to be executed between the Company and Mr. Amam Shah, which Agreement placed before this meeting duly initialled by the Chairman for the purpose of identification is hereby specifically approved with liberty to the Board of Directors of the Company (“the Board”) to alter and vary the terms and conditions of the Agreement in such manner as may be agreed to between the Board and Mr. Amam Shah and in accordance with the applicable provisions of the Act and any amendment thereto or re-enactment thereof;

RESOLVED further that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem desirable, necessary, expedient, usual or proper to implement this resolution.”

NOTES

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend the meeting and vote on a Poll, if any, in his/her stead and the proxy need not be a member of the Company.
2. The instrument appointing proxies, in order to be effective, must be received by the Company at the registered office, not less than 48 hours before the scheduled time of the meeting. A blank proxy form is annexed to this notice.
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Businesses to be transacted at the meeting (Item No.5 of the notice) is annexed hereto.
4. As required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges the relevant details of Shri Amam S. Shah & Shri Shiraj S. Jhaveri, Directors retiring by rotation and seeking re-appointment under Item No. 2, 3 and 5 of the Notice respectively, are annexed herewith.

GUJARAT CREDIT CORPORATION LIMITED

5. Register of Members and Share Transfer Books of the Company was remained closed from Wednesday, the 21 September, 2011 to Wednesday, the 28 September, 2011 (both days inclusive).
6. Members are requested to visit the website of the Company 'www.gccl.co.in' for viewing the quarterly & annual financial results and for more information on the Company.
7. For any investor-related queries, communication may be sent by e-mail to 'gujaratcredit@gmail.com'.
8. M/s Sharepro Services(India) Private Limited (Sharepro) is the Registrar & Share Transfer Agent (R&TAgent) of the Company. All investor related communication may be addressed to Sharepro at the following address;
M/s Sharepro Services(India) Private Ltd.
416-420, 4th Floor, Devnandan Mall, Opp. Sanyas Ashram, Ashram Road, Ahmedabad-380 006.
Tel.: (079) 26582381 - 84
E-mail : sharepro.ahmedabad@sharepro.com
9. Members are requested to send their queries, if any, to reach the Company at its Registered Office, at least 10 days before the meeting, so that the information can be compiled in advance.
10. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting.

By Order of the Board of Directors

Date : 28/06/2011

Amam S Shah
Managing Director

Registered Office:
606, Sakar-I, Ashram Road,
Ahmedabad- 380009.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

ITEM NO: 5

On recommendation of remuneration committee, the Board of Directors, at their meeting held on 28th June, 2011, appointed Mr. Amam Shah as Managing Director of the Company for a period of five years with effect from 1st July, 2011, subject to the approval of the shareholders in a general meeting. Shri Amam Shah has been associated with the Company since incorporation and has been instrumental in formulation of long-term vision and strategy of the Company. Members' approval is required for the appointment of Shri Amam Shah as Managing Director of the Company w.e.f. 1 July, 2011. The material terms and conditions of the appointment contained in the draft Agreement between the Company and Mr. Amam Shah are as follows:

1. The Managing Director shall, subject to the supervision and control of the Board of Directors, carry out such duties as may be entrusted to him by the Directors and shall exercise such powers as are delegated to him by the Board of Directors.
2. Period of Agreement: 5 years from 1st July, 2011.
3. Remuneration:
Salary: Nil

Medical reimbursement for self and family, Leave and Leave Travel Concession for self and family and Personal Accident Insurance shall be in accordance with the rules of the Company. The Company shall provide a car, mobile phone and telephone facility at residence for business use. The Managing Director shall be entitled to reimbursement of all actual expenses or charges including travel entertainment or other out of pocket expenses incurred by him for and on behalf of the Company, in furtherance of its business and objects.

4. The terms and conditions of the said appointment and/or Agreement may be altered, enhanced or varied from time to time by the Board as it may, in its discretion, deem fit.
5. The Agreement may be terminated by either party giving the other party six months' notice.
6. For the purposes of calculating the value of reimbursements hereinabove, the same shall be evaluated as per Income Tax Rules, 1962, wherever applicable or at actual cost.
7. The Managing Director shall not be entitled to receive any fees for attending meetings of the Board/Committee.

The draft Agreement between the Company and Mr. Amam Shah is available for inspection by the members of the Company at its Registered Office at 606, Sakar-I, Ashram Road, Ahmedabad- 380009 between 4.00 p.m. and 5.00 p.m. on any working day of the Company upto the date of Annual General Meeting.

This may be treated as an abstract of the Agreement between the Company and Mr. Amam Shah pursuant to Section 302 of the Companies Act, 1956.

None of the Directors other than Mr. Amam Shah is interested in this Resolution since it relates to his appointment.

By Order of the Board of Directors

Date : 28/06/2011

Amam S Shah
Managing Director

Registered Office:

606, Sakar-I, Ashram Road,
Ahmedabad- 380009.

GUJARAT CREDIT CORPORATION LIMITED

Details of the Directors seeking re-appointment in the Eighteenth Annual General Meeting [Pursuant to Clause 49 of Listing Agreement of Bombay Stock Exchange]

1. Name of Director	Mr Amam Shah	Mr Shiraj Jhaveri
2. Date of Birth	30/12/1971	06/05/1952
3. Relationships with other Directors	Nephew	None
4. Date of Appointment	1/11/1993	1/11/1993
5. Expertise	General Management	Marketing
6. Qualification	B.Com	B.Com
7. No. of Equity Shares held in the Company	2000000	10
8. List of other companies in which directorship are held	GCCL Construction & Realities Ltd. GCCL Infrastructure & Projects Ltd. GCCL Securities Ltd. DMCC Oil Terminals (Navlakhi) Ltd.	GCCL Infrastructure & Projects Ltd. Lipi Mercantile Ltd. Deepshikha Impex Ltd.
9. List of committees of the Board of Directors (across all companies) in which Chairmanship/ Membership is held	Share Holders Grivances Committee	Audit Committee

Note:

The Directorships held by Directors as mentioned above, do not include Directorships of Private Limited Companies.

DIRECTORS' REPORT

To,
The Members
GUJARAT CREDIT CORPORATION LIMITED,

Your Directors presents their Eighteenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2011.

FINANCIAL RESULTS:

Particulars	2010-2011 (RS in Lac)	2009-2010 (RS in Lac)
Profit/Loss for the year	(10.75)	(38.65)
Profit/Loss brought forward from previous year.	158.04	196.47
Profit Carried To Balance Sheet	147.29	158.04

OPERATIONS:

The company has earned Rs 15.09 lacs as project income and Rs 22.11 lacs as other income.

MANAGEMENT DISCUSSION & ANALYSIS

At present, your Company is not pursuing any of its main objects and hence the Board has not commented upon Industry Structure & Development, Opportunities & Threats, Future Outlook, and Risk & Concerns.

Internal Control Systems & their Adequacy:

The company has proper & adequate system of their internal controls proportionate to its size and business. The internal control systems of the Company are designed to ensure that the financial and other records are reliable for preparing financial statements and other data.

Cautionary Statement

The Management Discussion & Analysis Report may contain certain statement that might be considered forward looking within the meaning of applicable securities, laws and regulations. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statements as important factors could influence the Company's operations such as Government policies, tax laws, political and economic development.

CORPORATE GOVERNANCE

Pursuant to clause 49 of the listing agreement, a report on corporate governance along with auditors' certificate of its compliance is included as part of the annual report.

DIRECTORS

The clause 146 read with clause 170 of Articles of Association of the Company provide that at least two-thirds of our Directors shall be subject to retirement by rotation. One third of these retiring Directors must retire from office at each Annual General Meeting of the shareholders. A retiring Director is eligible for re-election.

Shri Amam S. Shah and Shri Shriraj Jhaveri, Directors will retire by rotation and being eligible, offers themselves for reappointment. The details of their re-appointment together with nature of their expertise in specific functional areas and names of the companies in which they hold office as Director and/or the Chairman/Membership of Committees of the Board, are provided in the Notice of the ensuing Annual General Meeting.

Shri Amam S Shah was reappointed as managing in Board Meeting held on 28/6/11 in terms of Section 269(1) of the Companies Act, 1956 and CEO as required under clause 49 of the listing agreement w. e. f. 1/7/2011 subject to approval of members.

CODE OF CONDUCT

The code of conduct for all Board members and senior management of the Company has been laid down and is being complied in words and spirit. The declaration on compliance of code of conduct signed by CEO of the Company is included as a part of this annual report.

GUJARAT CREDIT CORPORATION LIMITED

STATUTORY DISCLOSURES:

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

Particulars required to be furnished by the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988:

Part A and B pertaining to conservation and technology absorption is not applicable to the Company. However the Company endeavored to conserve energy consumption wherever feasible.

The Company has neither used nor earned any foreign exchange during the year under review.

PARTICULARS OF EMPLOYEES

The information as required under Section 217(2A) of the Companies Act, 1956 read with Companies (particulars of employees' amendment) Rules, 1988 as amended from time to time is nil.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to sub-Section (2AA) of Section 217 of Companies Act, 1956 the Board of Directors of the Company hereby State and confirm that:

- ❖ in preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ❖ the Directors had selected such accounting policies and applied them consistently 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 end of the financial year and of the profit or loss of the company for that period;
- ❖ the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- ❖ The Directors had prepared the annual accounts on a going concern basis.

CASH FLOW

A Cash Flow statement for the year ended March 31, 2011 is attached to the Balance Sheet.

AUDITORS AND AUDITORS' REPORT

The Auditors' M/s Parikh Mehta & Associates Chartered Accountants, Baroda holds office until the conclusion of the ensuing Annual General Meeting and are recommended for reappointment for the year 2011-2012. The Company has received certificate from the Auditors' to the effect that the reappointment if made, would be within prescribed limit under Section 224 (1-B) of the Companies Act, 1956.

The notes at schedule 12 are self-explanatory and do not require further clarifications.

FIXED DEPOSITS

The Company has not accepted any deposits from the public.

INSURANCE

The Company's assets are adequately insured against major risks.

ACKNOWLEDGMENTS

The Board expresses their appreciation for continued co-operation and support extended to the Company by bankers, employees & shareholders.

Place: Ahmedabad

Date : 28/06/2011

Registered office:

606, Sakar I, Ashram Road,
Ahmedabad- 380 009.

For and on behalf of the Board of Directors

Bahubali Shah
Chairman

GUJARAT CREDIT CORPORATION LIMITED

CORPORATE GOVERNANCE

(As required by clause 49 of the Listing Agreement with the stock exchange)

This section on Corporate Governance forms part of the Directors' Report to the shareholders. This report is given in terms of clause 49 of the Listing Agreement entered with the Mumbai Stock Exchange where the shares of the Company have been listed.

1. Company's Philosophy & Code of Governance

Your company's corporate governance policy is directed towards adherence to ethical business practices. All mandatory requirements as also a few non-mandatory requirements prescribed by Clause 49 of the Listing Agreement have been implemented by the Company. Non-mandatory requirements such as formation of Remuneration Committee have been implemented. Codes of business conduct, adopted by the directors and senior management personnel, are posted on the website of the Company (www.gocl.co.in).

All board members and senior management personnel have affirmed compliance with the respective codes of conduct for the year ended March 31, 2011. In terms of Clause 49 (I) (D) of the Listing Agreement, the Managing Director has given the requisite declaration to this effect. In terms of Clause 49 (V) of the Listing Agreement, the Chairman and Managing Director [CEO] and CFO have given the requisite certification to the Board of Directors in the prescribed format for the period under review.

2. Board of Directors

Composition of Board:

The strength of the Board as on March 31, 2011 was Five and all are non-executive promoter directors and three are independent directors. The requisite particulars are given below: -

Directors	Category	Attendance Particular		Other Directorship	Committee Membership	
		Board Meeting	Last AGM		Member	Chairman
Shri Bahubali S. Shah	CM-NENI	5	Y	5	0	0
Shri Amam S. Shah	MD-NON IND	5	Y	6	0	1
Shri Shriraj S Jhaveri	IND	5	Y	0	0	0
Shri Vipul H Raja	IND	5	Y	0	0	0
Shri L.N.Patel	IND	5	Y	0	0	0

CM- Chairman NENI-Non Executive Non Independent IND- Independent

Board Meetings

The Board of Directors oversees management performance in order to ensure adherence to highest standards of corporate governance. The Board evaluates the strategic direction, management policies and their effectiveness and provides guidance and leadership to the management in achieving set goals. Board meeting dates are finalised in consultation with all directors. The Board is regularly apprised about important business related information and developments. Board members express opinions and bring up matters for discussion at its meetings. Board meeting minutes are circulated to all Directors in advance and confirmed at the subsequent Board meeting. Copies of signed minutes of the various Committees of the Board and Board meetings of subsidiaries of the Company are tabled at Board meetings.

Details of Board Meetings

In compliance with the provisions of Clause 49 of the Listing Agreement, the Board meetings are held at least once every quarter and the time gap between two meetings is not more than four months. During the year, five Board Meetings were held.

Date of Meeting	29/4/10	30/6/10	30/7/10	29/10/10	31/01/11
No. of directors Present	5	5	5	5	5

The information as required under annexure I to clause 49 is being made available to the Board.

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3. AUDIT COMMITTEE

The Audit Committee comprises of following members:

Name	Designation	Attendance
Shri Shriraj S Jhaveri- Chairman	Non-executive Independent	4
Shri L. N. Patel	Non-executive Independent	4
Shri Vipul H Raja	Non-executive Independent	4

Compliance officer acts as the Secretary of the Committee. All the members of the Audit Committee are financially literate. The Chairman of the Committee attended the last Annual General Meeting of the Company held on September 23rd, 2010. The meetings of the Audit Committee are attended by the finance head, representatives of accounts, statutory and internal auditors. The Audit Committee addresses matters pertaining to appropriateness of audit tests and checks, reliability of financial statements, adequacy of provisions for liabilities and internal controls. The Committee lays emphasis on adequate disclosures and compliance with all relevant statutes. The Committee performs the functions enumerated in Clause 49 of the Listing Agreement, Section 292A of the Companies Act, 1956 and duties cast upon from time to time by the Ministry of Corporate Affairs through its circulars and notifications. The matters deliberated upon by the Committee include:-

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- 2) Recommending to the Board, the appointment of statutory auditors, fixation of audit fees and approval of payments for any other services rendered by them.
- 3) Reviewing with the management the quarterly and annual financial statements before submission to the Board for approval with particular reference to: -
 - a) matters required to be included in the Directors' Responsibility Statement in terms of Clause (2AA) of Section 217 of the Companies Act, 1956;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of related party transactions; and
 - g) qualifications in the draft audit report, if any.
- 4) Reviewing with the management, the performance of statutory and internal auditors and adequacy of the internal control systems.
- 5) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, its staffing, reporting structure, coverage and frequency of audits.
- 6) Discussion with the internal auditors significant findings and follow-up thereon.
- 7) Reviewing the findings of internal auditors and reporting them to the Board.
- 8) Discussion with statutory auditors before the audit commences about the nature and scope of audit as also post-audit discussion to ascertain areas of concern.

Details of Audit Committee Meetings:

The Audit Committee met four times during the year under review on 30/6/10, 30/7/10, 29/10/10 & 31/1/11 and was attended by all members.

4. REMUNERATION COMMITTEE

There is no change in the composition of remuneration committee and no meeting was held during the financial year as there was no payment of remuneration to any director.

5. SHAREHOLDERS/INVESTOR'S GRIEVANCES COMMITTEE

The Investors' Grievances Committee comprises three directors, namely Shri Shriraj Jhaveri, Shri L. N. Patel and Shri Amam Shah. Meetings of the Investors' Grievances Committee are also attended by the head of Investors' Services Department.

The Committee oversees functioning of the Investors' Services Department covering all facets of the operations including transfer of shares in physical form, dematerialisation of shares and activities related to dividend and depository operations. The Committee also closely monitors investor grievance redressal system of the department.

Your Company received nil complaints from shareholders during the year. As on March 31, 2011, no complaints remained pending/un-attended and no share transfers remained pending for over 30 days, during the year.

Details of the Investors' Grievances Committee Meetings

It met six times during the year and approved transfer of 1900 equity shares.

6. DETAILS OF LAST THREE ANNUAL GENERAL MEETING

Year	Venue Of AGM	Day, date & time	No. of Special Resolutions passed
2007-08	606, Sakar-I, Opp: Nehru Bridge, Ashram Road, Ahmedabad	Tuesday, 30/09/2008 at 11.00 a.m.	Nil
2008-09	606, Sakar-I, Opp: Nehru Bridge, Ashram Road, Ahmedabad	Wednesday, 30/09/2009 at 11.00 a.m.	Nil
2009-10	606, Sakar-I, Opp: Nehru Bridge, Ashram Road, Ahmedabad	Thursday, 23/09/2010 at 11.00 a.m.	Nil

No business was required to be transacted through postal ballot at the above meetings. Similarly, no business is required to be transacted through postal ballot at the forthcoming Annual General Meeting.

7. Disclosure on materially significant related party transactions:

During the year under review, there were no materially significant related party transactions between the Company and its promoters, directors, management or their relatives, etc. which may have potential conflict with the interests of the Company. Statements of transactions in summary form with related parties in the ordinary course of business and material individual transactions with related parties, which were not in the normal course of business, were placed at meetings of the Audit Committee. The Audit Committee reviews statements of related party transactions submitted by the management. Details of transactions in which Directors are interested are recorded in the Register of Contracts maintained pursuant to the provisions of Section 301 of the Companies Act, 1956 and the same is placed at Board meetings and is signed by the Directors present. In compliance with Accounting Standard AS 18, details of related party transactions are disclosed in the notes to accounts that form part of the balance sheet and profit and loss account.

The Company has complied with requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years and they have not imposed any penalties on, or passed any strictures against the Company. Trading in securities of the Company is suspended by the Mumbai stock exchange w.e.f. 3/2/03.

8. Means of communication

Quarterly and annual financial results of the Company are submitted to the stock exchanges immediately after the Board approves them. Thereafter, the same are published in Western Times English and Gujarati newspapers. Disclosures pursuant to various clauses of the Listing Agreement are promptly communicated to the stock exchanges.

No formal presentation was made to the institutional investors or to the analysts during the year under review.

9. General Shareholder Information

- **Exclusive email id for investor grievances**

Pursuant to Clause 47 (f) of the Listing Agreement, the following email id has been exclusively designated for communicating investor grievances: gujaratcredit@gmail.com

Person in-charge of the Department : Shri Chandrakant Sheth.

- **ANNUAL GENERAL MEETING**

The Eighteenth Annual General Meeting will be held at 10.30 a.m. on Wednesday, September 28, 2011, at 606, Sakar-I, Opp. Nehru Bridge, Ashram Road, Ahmedabad-380 009.

- **FINANCIAL CALENDAR**

First quarter results : July 2011
 Second quarter results : October 2011
 Third quarter results : January 2012
 Annual results : April 2012
 Annual General Meeting : September 2012

GUJARAT CREDIT CORPORATION LIMITED

- **BOOK CLOSURE**

The Register of Members and the Share Transfer Register were closed from Wednesday, September 21, 2011 to Wednesday, September 28, 2011, (both days inclusive).

- **DIVIDEND PAYMENT DATE**

Not applicable

- **SHARES LISTED AT**

The equity shares of the Company are listed at:
Bombay Stock Exchange Limited (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai Samachar Marg, Mumbai - 400 001.

Annual Listing fees for the year 2011-12 have been paid to Mumbai stock exchange. The Company has also paid the Annual Custodial fees to both the depositories.

- **STOCK CODES**

The stock codes of the Company is: 511441

INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)

ISIN is a unique identification number allotted to dematerialised scrip. The ISIN has to be quoted in each transaction relating to dematerialised shares of the Company. The ISIN of the equity shares of the Company is INE 034B01019.

- **CORPORATE IDENTITY NUMBER (CIN)**

CIN of the Company, allotted by the Ministry of Corporate Affairs, Government of India: L65910GJ1993PLC020564

- **High/Low of monthly Market Price of the Company's Equity Shares Traded on the Mumbai Stock Exchanges during the financial year 2010-11:**

No transaction reported on Mumbai Stock Exchange.

- **SHARE TRANSFER SYSTEM**

Company's shares in dematerialised form are transferrable through depositories. Shares in physical form are transferred by the Registrar & Transfer Agent and placed before the Share Transfer Committee for its approval. The Investor Grievance Committee meets at a regular interval to consider and approve the transfer, transmission, issuance of duplicate / consolidated / sub-divided share certificates and requests for dematerialization / rematerialisation of Company's shares.

In terms of Clause 47 (c) of the Listing Agreement, every six months, a qualified Practising Company Secretary undertakes audit of the share transfer related activities carried out by the Department and issues a compliance certificate, which is submitted to the stock exchange.

- **Distribution of Shareholding (as on March 31, 2011)**

a. On the basis of Share held

Balance		PHYSICAL		D-MAT		TOTAL	%	TOTAL	%
		Holders	SHARES	Holders	SHARES	Holders		Shares	
1	500	6404	806110	2862	456340	9266	95.55	1262450	5.05
501	1000	83	64300	158	126279	241	2.49	190579	0.76
1001	2000	20	29000	59	86487	79	0.81	115487	0.46
2001	3000	3	8000	20	51050	23	0.24	59050	0.24
3001	4000	2	7700	9	29938	11	0.11	37638	0.15
4001	5000	2	10000	6	28700	8	0.08	38700	0.15
5001	10000	0	0	10	69516	10	0.10	69516	0.28
10001	9999999	53	22030500	7	1196080	60	0.62	23226580	92.91
Total		6567	22955610	3131	2044390	9698	100.00	25000000	100.00

b. On the basis of category

Category	No. of Shares Held	% to total Shares held
Individual	16833246	67.33
Private Corporate Bodies	261964	1.05
Promoters	7903190	31.61
N.R.I	1600	0.01
TOTAL	25000000	100

- **DEMATERIALIZATION OF SHARES AND LIQUIDITY**

Shares of the Company are traded compulsorily in dematerialised form and are available for trading with both the depositories with whom the Company has established direct connectivity. The demat requests received by the Company are continually monitored to expedite the process of dematerialisation. The demat requests are confirmed to the depositories within five working days of receipt.

During the year, the Company has electronically confirmed demat requests for 4800 equity shares.

- **RECONCILIATION OF SHARE CAPITAL AUDIT REPORT**

Pursuant to the provisions of the SEBI (Depositories & Participants) Regulations, 1996, quarterly audit is being undertaken by a Practising Company Secretary for reconciliation of share capital of the Company.

The audit report inter alia covers and certifies that the total shares held in NSDL, CDSL and those in physical form tally with the issued and paid-up capital of the Company, the Register of Members is duly updated, demat requests are confirmed within stipulated time etc. The Reconciliation of Share Capital Audit Report is submitted with BSE and is also placed before the meetings of the Board of Directors and the Investors' Grievances Committee.

- Outstanding GDRs/ADRs/Warrants or any convertible instrument as on 31st March, 11

There were no outstanding GDRs/ADRs/Warrants or any convertible instrument as at end March 2011.

- **Plant Locations**

The nature of business is such that the company has no plant.

- **Address for Correspondence**

All enquiries, clarification and correspondence should be addressed to the compliance officer at the following Addresses.

1) Shri Chandrakant G Sheth

GUJARAT CREDIT CORPORATION LIMITED
606, Sakar I, Ashram Road, Ahmedabad- 380 009.

2) Registrar & Transfer Agent

M/S SHAREPRO SERVICES (INDIA) PRIVATE LTD.,
416-420, 4th Floor, Devnandan Mall, Opp. Sanyas Ashram, Ashram Road, Ahmedabad-380 006.
Tel.: (079) 26582381 - 84
E-mail : sharepro.ahmedabad@sharepro.com

DECLARATION PURSUANT TO CLAUSE 49 1 (D) (ii) OF THE LISTING AGREEMENT

In accordance with Clause 49 1(D)(ii) of the Listing Agreement with the Stock Exchanges, I hereby declare that the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct as applicable to them for the year ended March 31, 2011.

For and behalf of Board of Directors

(Amam S. Shah)

Managing Director

Place: Ahmedabad

Dated: 28 June, 2011

GUJARAT CREDIT CORPORATION LIMITED

CERTIFICATE PURSUANT TO CLAUSE 49 V OF THE LISTING AGREEMENT

We, Shri Amam Shah, Managing Director (CEO) and Shri L N Patel, Director (CFO) do hereby certify to the Board that:

- a) We have reviewed the Balance Sheet as at March 31, 2011, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date and that to the best of our knowledge and belief:
 - i) the said statements do not contain any false, misleading or materially untrue statements or figures or omit any material fact, which may make the statements or figures contained therein misleading;
 - ii) the said statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i) significant changes in internal control over financial reporting during the year, if any;
 - ii) significant changes in accounting policies during the year if any and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which we 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 over financial reporting.

For Gujarat Credit Corporation Limited

For Gujarat Credit Corporation Limited

Shri Amam Shah
Chief Executive Officer

Shri L N Patel
Chief Financial Officer

Place : Ahmedabad

Date : 28/06/2011

AUDITORS' CERTIFICATE

To the Members of Gujarat Credit Corporation Limited, we have examined the compliance of condition of corporate governance by Gujarat Credit Corporation Limited for the year ended on 31st March 2011 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statement 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 the above mentioned Listing Agreement.

As required by the Guidance Note issued by the institute of Chartered Accountants of India, we have to state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by 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.

Place : AHMEDABAD
Date : 28/06/2011

For Parikh Mehta & Associates
Chartered Accountants
Sachin Mehta
Partner
M.No.:39258

AUDITORS' REPORT

To,
The Members,
Gujarat Credit Corporation Ltd.
Ahmedabad

We have audited the attached Balance Sheet of Gujarat Credit Corporation Limited as at 31st March 2011 and the Profit & Loss Account annexed thereto 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.

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.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 we enclose in the Annexure a Statement on the matters specified in paragraph 4 & 5 of the said order only to the extent applicable to the Company.

Further to our comments in the Annexure referred to above, we report that:

- i) We have obtained all the information and explanations which to the best our knowledge and belief, were necessary for the purpose of our audit.
- ii) 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 such books.
- iii) The Balance Sheet and the Profit and Loss Account referred to in this report are in agreement with the Books of Account.
- iv) In our opinion, the Balance Sheet and Profit and Loss Account read in conjunction with the notes on accounts, comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 except (i) non provision of leave encashment and gratuity (AS 15), (ii) Non Provision of Permanent Diminution in value of Investment (AS 13)
- v) According to the information and explanation given to us, in relation to the affairs of the company, none of the Directors are disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information as 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, 2011 and
 - b) in the case of the Profit and Loss Account, of the profit of the company for the year ended on that date.

Place : Ahmedabad
Date : 28/06/2011

For Parikh Mehta & Associates
Chartered Accountants

Sachin Mehta
Partner
M.No:39258

ANNEXURE TO THE AUDITORS' REPORT TO THE MEMBERS OF GUJARAT CREDIT CORPORATION LTD (REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE)

- (I) (a) The Company has maintained generally proper records showing full particulars including quantitative details and situations of Fixed Assets.
- (b) We have been informed that physical verification of the fixed assets was conducted by the management during the period and no discrepancies were observed between book records and physical verification of fixed assets.
- (II) (a) The inventories have been physically verified by the management during the year. The frequency of such verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us the procedures followed by the management for physical verification of stocks were found reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) We are informed that no discrepancies have been noticed between physical stocks and the book records.
- (III) (a) The company has granted loans to one company involving balance outstanding at year end of Rs 10.83 lacs to companies, firms or other parties listed in the register maintained under section 301 of the companies Act, 1956.
- (b) Whereas no interest is charged on such loan granted but regarding other terms and conditions of loans given by the company , in our opinion the same are not prima facie prejudicial to the interest of the company.
- (c) The repayment of such loans granted by the company is as per the stipulated terms and conditions of the loan granted.
- (d) On the basis of information and explanations given to us, there are no overdue amount recoverable from the loan granted by the company.
- (e) The company has taken loans from one company of which outstanding as at the end of the year is Rs 204.22 Lacs from companies, firms or other parties listed in the register maintained under Section 301 of the companies Act, 1956
- (f) The rate of interest and other terms and conditions of loan taken by the company, in our opinion, are not prejudicial to the interests of the company.
- (g) According to the information and explanation given to us, the repayment of principal and interest is as per stipulations mentioned.
- (IV) In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods.
- (V) (a) According to the information and explanations given to us we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act 1956 have been so entered.
- (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market price at relevant time.
- (VI) The company has not accepted any deposit from public under the purview of Section 58 A of the Companies Act 1956 and the Companies (Acceptance of Deposits) Rules , 1975.
- (VII) The company has an internal audit system commensurate with the size of the company and nature of its business.

- (VIII) The Central Government has not prescribed maintenance of the cost records under Section 209 (1) (d) of the Companies Act 1956 in respect of the products manufactured by the company.
- (IX) (a) According to the records of the company, the company is regular in depositing with appropriate authorities the undisputed dues according to the information and explanations given to us, there are no undisputed amounts of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Sales Tax, Custom Duty, Service Tax, Excise Duty, cess and any other statutory dues outstanding as at 31st March, 2011 for a period more than six months from the date they become payable .
- (b) According to the information and explanations given to us, the following statutory dues are unpaid on account of any dispute.

Nature of Dues	Amount (Rs in Lacs)	Forum where dispute is pending
Income Tax	24.97	ITAT Ahmedabad
Income Tax	3.03	— do —
Interest Tax	0.53	—do—
Interest Tax	4.59	—do—

- (X) The accumulated losses of the company are not more than fifty percent of its net worth. The company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (XI) The company has not defaulted in repayment of dues to financial institutions and banking institutions.
- (XII) The company has not granted any loans or advance on the basis of security by way of pledge of shares, debentures and other similar securities and hence the question of maintaining adequate documents and records does not arise.
- (XIII) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the CARO 2003 are not applicable to the company.
- (XIV) The company has maintained proper records of transactions and contracts in respect of trading in shares, debentures and other securities and that timely entries have been made therein. The shares and debentures have been held by the company in its own name except to the extent of exemption granted under section 49(4) of the companies Act, 1956.
- (XV) In our opinion, the company has not given any guarantee for loans taken by others from banks or financial institutions and hence the provisions relating to clause 4 (xv) are not applicable to the company.
- (XVI) This clause is not applicable since no term loans have been raised during the year.
- (XVII) According to the information and explanation given to us and on overall examination of balance sheet of the company , we report that no short term funds have been used for long term purposes nor long term funds are used for short term purposes.
- (XVIII) According to the information and explanation given to us, the company has not made any preferential allotment of shares to parties and companies covered under Section 301 of the Companies Act 1956.
- (XIX) No Debentures have been issued during the year.
- (xx) The company has not raised any money by public issue during the year.
- (XXI) According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place : Ahmedabad
Date : 28/06/2011

For Parikh Mehta & Associates
Chartered Accountants

Sachin Mehta
Partner
M.No.: 39258

GUJARAT CREDIT CORPORATION LIMITED

GUJARAT CREDIT CORPORATION LIMITED

BALANCE SHEET AS AT 31st MARCH 2011

PARTICULARS	Sch	As At 31.03.2011 Amount in Rs.		As At 31.03.2010 Amount in Rs.	
SOURCES OF FUNDS :					
SHARE HOLDER'S FUND :					
Share Capital	1		85,000,000		85,000,000
Reserve & Surplus	2		22,088,142		23,163,312
Profit & Loss A/c					
LOAN FUND :					
Secured Lons	3		1,828,630		84,303,525
Unsecured Loans			180,904,614		48,534,926
T o t a l			289,821,386		241,001,763
APPLICATION OF FUNDS :					
FIXED ASSETS :					
Gross Block	4	6,230,306		6,230,306	
Less:Depreciation		3,938,652		3,560,092	
			2,291,654		2,670,214
INVESTMENTS:					
	5		33,890,557		48,883,000
CURRENT ASSETS LOANS & ADVANCES:					
Current Assets	6A	64,439,150		4,857,806	
Sundry Debtors	6B	42,000		37,200	
Loan & Advances	6C	189,547,251		206,802,620	
			254,028,400		211,697,626
Less:					
Current Liabilities & Provisions	7	389,225		22,249,077	
NET CURRENT ASSETS :-			253,639,175		189,448,549
T o t a l			289,821,386		241,001,763
Notes on Accounts	12				

As per our Report attached of even date

For PARIKH MEHTA & ASSOCIATES
CHARTERED ACCOUNTANTS

BAHUBALI S.SHAH
CHAIRMAN

AMAM S.SHAH
DIRECTOR

SACHIN MEHTA
PARTNER

SHRIRAJ S.JHAVERI
DIRECTOR

PLACE : AHMEDABAD
DATE : 28 / 06 / 2011

PLACE : AHMEDABAD
DATE : 28 / 06 / 2011

GUJARAT CREDIT CORPORATION LIMITED

PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2011

PARTICULARS	Sch	As At 31.03.2011 Amount in Rs.	As At 31.03.2010 Amount in Rs.
INCOME :			
Income From Operation	8	1,509,100	1,351,590
Other Income	9	2,211,868	1,349,181
Total Income		3,720,968	2,700,771
EXPENDITURE :			
Interest	10	2,122,972	5,171,472
Personnal Expenses		1,297,087	227,205
Administrative Expenses	11	997,519	818,778
Depreciation		378,560	378,560
TOTAL EXPENDITURE		4,796,138	6,596,015
Profit/(Loss) Before Tax		(1,075,170)	(3,895,244)
Provision For Income Tax & FBT		-	5,365
Deffered Tax		-	(35,170)
Profit/(Loss) After Tax		(1,075,170)	(3,865,439)
Balance B/f From Last Year			
Transfer to Special Reserve			
Balance Available For Appropriation		15,804,431	19,669,870
Balance Carried To Balance Sheet		14,729,261	15,804,431
Basic & Diluted Earning Per Share (Face Value of Rs.10/- Each) (Rs.)		10	10
Notes on Accounts	12		

As per our Report attached of even date

For PARIKH MEHTA & ASSOCIATES
CHARTERED ACCOUNTANTS

BAHUBALI S.SHAH
CHAIRMAN

AMAM S.SHAH
DIRECTOR

SACHIN MEHTA
PARTNER

SHRIRAJ S.JHAVERI
DIRECTOR

PLACE : AHMEDABAD
DATE : 28 / 06 / 2011

PLACE : AHMEDABAD
DATE : 28 / 06 / 2011

GUJARAT CREDIT CORPORATION LIMITED

GUJARAT CREDIT CORPORATION LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET AND P & L A/C

PARTICULARS	As At 31/03/2011 Amount in Rs.	As At 31.03/2010 Amount in Rs.
SCHEDULE : 1 : SHARE CAPITAL		
AUTHORISED : (P.Y.2,50,00,000 Equity Shares of Rs.10/- each)	250,000,000.00	250,000,000.00
ISSUED,SUBSCRIBED & PAID UP :		
ISSUED :		
30,00,000 Equity Shares of Rs.10/- each		
2,20,00,000 Equity Shares of Rs.2/50 each		
SUBSCRIBED & PAID UP :		
30,00,000 Equity Shares of Rs.10/- each	30,000,000.00	30,000,000.00
2,20,00,000 Equity Shares of Rs.2/50 each	55,000,000.00	55,000,000.00
	85,000,000.00	85,000,000.00
SCHEDULE : 2 :RESERVE & SURPLUS		
Special Reserve	7,358,881.00	7,358,881.00
General Reserve :		
Profit & Loss Account	14,729,261.00	15,804,431.00
	22,088,142.00	23,163,312.00
SCHEDULE : 3 : UNSECURED LOANS		
	180,904,614.00	48,534,926.00
	180,904,614.00	48,534,926.00

GUJARAT CREDIT CORPORATION LIMITED

SCHEDULE : 4 : FIXED ASSETS

Sr. No.	Description of Assets	Up to 31/03/10	GROSS BLOCK			DEPRECIATION				NET BLOCK	
			Addition during the year	Adjustment during the year	Total as at 31/03/11	Up to 31/03/2010	Provided For the Year	Adjustment during the year	As On 31/03/11	As On 31/03/10	As On 31/03/11
1	Aircondition	181900	0	0	181900	39146	8640	0	47786	134114	142754
2	Office Building	637155	0	0	637155	166292	10388	0	176680	460475	470863
3	Office Equipments	1036412	0	0	1036412	800873	49700	0	850573	185839	235539
4	Computers	493656	0	0	493656	493656	0	0	493656	0	0
5	Office Vehicle	2023700	0	0	2023700	1207071	192252	0	1399323	624377	816629
6	Office Furniture	1857483	0	0	1857483	853054	117580	0	970634	886849	1004429
	TOTAL :====>	6230306	0	0	6230306	3560092	378560	0	3938652	2291654	2670214
	Previous Year	6230306	0	0	6230306	3181532	378560	0	3560092	2670214	3048774

GUJARAT CREDIT CORPORATION LIMITED

GUJARAT CREDIT CORPORATION LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET AND P & L A/C

PARTICULARS	As At 31/03/2011 Amount in Rs.	As At 31.03/2010 Amount in Rs.
SCHEDULE : 5 : INVESTMENTS		
Quoted		
GCCL Infrastructure & Project Ltd	28,287,900.00	28,287,900.00
E.I.H. Associate Hotel	1,033,815.00	1,033,815.00
Gujarat Allkallis & Chemicals Ltd.	-	11,028,750.00
Ricoh India Ltd.	117,375.00	117,375.00
Gujarat Stat Fertilizers Co.Ltd	114,574.00	114,574.00
J.K.Industries	-	3,963,693.00
J.K.Sugar	55,275.00	55,275.00
Tolani Bulk Carriers	11,803.00	11,803.00
Appu Industries Ltd.	18,815.00	18,815.00
Pro Leasing & Finance Ltd.	177,500.00	177,500.00
Un-Quoted		
GCCL Securities Ltd.	3,963,000.00	3,963,000.00
GCCL Housing Finance Ltd.	10,500.00	10,500.00
PNB Principal Infra.Ser.	100,000.00	100,000.00
	33,890,557.00	48,883,000.00
CURRENT ASSETS, LOANS AND ADVANCES		
SCHEDULE : 6A : CURRENT ASSETS		
1. STOCK IN TRADE (AT COST)		
	-	-
2. CASH & BANK BALANCES :		
Cash Balance	30,615.55	978,531.00
Bank Balances with current a/c	2,714,347.00	2,683,223.00
3. OTHER CURRENT ASSETS :		
Other Current Assets	61,694,187.00	1,196,052.00
[A]	64,439,149.55	4,857,806.00
SCHEDULE : 6B : SUNDRY DEBTORS		
SUNDRY DEBTORS :		
(Unsecured Considered Good)		
A. More than 6 Months		
B. Others	42,000.00	37,200.00
	42,000.00	37,200.00

GUJARAT CREDIT CORPORATION LIMITED

SHEDULES ANNEXED TO AND FOURMING PART OF BALANCE SHEET AND P & L A/C

PARTICULARS	As At 31/03/2011 Amount in Rs.	As At 31.03/2010 Amount in Rs.
SCHEDULE : 6C : LOANS & ADVANCES		
Advances to others	658,484.94	1,871,334.00
Advances recoverable in cash or in kind	188,888,766.00	204,931,286.00
	189,547,250.94	206,802,620.00
	254,028,400.49	211,697,626.00
SCHEDULE : 7 : CURRENT LIABILITIES & PROVISIONS		
A. CURRENT LIABILITIES		
1. Sundry creditors for expenses	118,212.00	21,724,859.00
2. Statutory Liabilities	30,488.00	139,072.00
3. Other Current Liabilities	31,483.00	130,192.00
4. Defered Tax Liability	209,042.00	254,954.00
	389,225.00	22,249,077.00
B. PROVISIONS		
Provision for Taxation	-	-
	389,225.00	22,249,077.00
SCHEDULE : 8 : INCOME FROM OPERATION		
Development Project Income	1,509,100.00	1,351,590.00
	1,509,100.00	1,351,590.00
SCHEDULE : 9 : OTHER INCOME		
Profit in Share Investment	(1,958,976.51)	512,538.00
Bank F.D.R.Interest	90,335.00	226,000.00
Misc.Income	4,043,957.00	225,228.00
Dividend	36,553.00	385,415.00
	2,211,868.49	1,349,181.00
SCHEDULE : 10 : INTEREST		
Bank Interest	-	2,255.00
Interest on Loans	1,828,631.00	3,913,942.00
Interest on others	292,884.00	1,255,275.00
Interest on TDS	1,457.00	-
	2,122,972.00	5,171,472.00

GUJARAT CREDIT CORPORATION LIMITED

GUJARAT CREDIT CORPORATION LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET AND P & L A/C

PARTICULARS	As At 31/03/2011 Amount in Rs.	As At 31.03/2010 Amount in Rs.
SCHEDULE : 11 : ADMINISTRATIVE EXPENSES		
Telephone & Trunkcall Charges	98,750.00	77,596.00
Post & Tele Charges	2,775.00	4,937.00
Stationary & Printing Expenses	6,612.00	29,519.00
Listing Fees	16,545.00	16,545.00
Bank Charges	58,447.00	35,119.00
Travelling Expense	60,417.00	10,746.00
Security Trans, Tax & Ser. Charges	17,741.00	2,673.00
Legal & Professional Exp.	148,249.00	163,205.00
Audit Fees	22,060.00	22,060.00
Municipal Tax	33,097.00	40,874.00
Advertisement Exp.	27,986.00	13,496.00
Insurance Exp.	9,532.00	19,542.00
Motorcar Running Exp.	5,233.00	14,670.00
Electricity Expenses	100,944.00	97,292.00
Professional Tax	2,400.00	2,400.00
Salary Expenses	384,718.00	267,700.00
Stamp & other Charges on Kotak	2,013.00	404.00
	997,519.00	818,778.00

GUJARAT CREDIT CORPORATION LIMITED

SCHEDULE: 12: NOTES FORMING PART OF ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

(A) Basis of Preparation of Financial Statements:

- i) The financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and the provision of the companies act, 1956 as adopted consistently by the company.
- ii) All Income and Expenditure items having a material bearing on the financial statement are recognized on accrual basis.

(B) Investments:

Investments are valued at their acquisition cost.

(C) Fixed Assets:

The fixed assets are stated at cost less accumulated depreciation.

(D) Depreciation:

- a) Depreciation on fixed assets owned by the company for own use has been provided on straight line method in accordance with the rates prescribed under schedule XIV to the Companies act, 1956.
- b) Depreciation on fixed assets owned by the company but given on lease to respective clients of the company, is charged over the primary lease period so that the 100% cost of such assets is charged to depreciation during the said period.

(E) Employee Benefits.

(a) Short Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, short term compensated absence etc. and the expected cost of bonus are recognized in the period in which the employee renders the related service.

(b) Post-Employment Benefits

i) **Defined Contribution Plans:** The Company has no such plans because number of employees is less than the prescribed limit as per Provident Fund Act. Similarly as the case with Employees State Insurance Act.

ii) **Defined Benefits Plans:** The company has a policy to pay the gratuity as and when the employee retires from the service

(F) Stock in Trade

Although the market value is much below the cost, stock in trade is valued at cost.

(F) CONTRACTUAL RECEIPTS:

1. The company follows accounting policy of income from construction contracts on percentage completion method basis.
2. The company has followed the reserve Bank of India's Guidelines applicable to the Non Banking Financial Companies in respect of Prudential Norms for income recognition, assets classification and capital adequacy.

(G) Taxes on Income:

Deferred Tax is recognized on timing difference, being the difference between taxable income and accounting income that originate in one period and are reversible in one or more subsequent period.

(H) Earning Per Share:

The company reports basic and diluted earnings per share in accordance with Accounting Standard (AS) 20 – Earning per Share issued by the Institute of Chartered Accountants of India. Basic Earning per share are computed by dividing the net profit or loss for the year by the weighted average number of equity share outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilative potential equity share, except where the results are anti-dilative.

GUJARAT CREDIT CORPORATION LIMITED

Calculation of Earning Per Share:

The numerators and denominators used to calculate the basic and diluted EPS are as follows.

	Particulars	2010-11	2009-10
A.	Profit/(Loss) For the year	(1075170)	(3865439)
B.	Basic & Weighted average number of shares outstanding during the year	8500000	8500000
C.	Nominal value of Equity share	10	10
D.	Basic Earning /(Loss) per share	(0.13)	(0.45)
E.	Diluted Earning per share	(0.13)	(0.45)

(I) Related Party Disclosures:

(Related Party Disclosure under Accounting Standard 18)

(i). The list of related parties as identified by the Management are as under:

- | | |
|---|--|
| a. Associates | GCCL Construction & Realities Ltd,
GCCL Infrastructure & Projects Ltd,
GCCL Securities Ltd,
GCCL Housing Finance Ltd. |
| b. Joint ventures | None |
| c. Subsidiaries | None |
| d. Individuals owing, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or Significant influence over the enterprise, & relatives of any such individuals. | Shri Bahubali S. Shah
Shri Amam S. Shah
Shri Shreyansh S. Shah
Shri Smrutiben S. Shah
Shri Binoti A. Shah |
| e. Key Management Personnel & relatives of Key Management | None
Personnel |
| f. Enterprise over which any person As mentioned in [a] above & described in [d] or [e] is able to exercise significant influence. This exercise significant influence. includes enterprises owned by Directors or major shareholders of the reporting enterprise that have a member of key Management Personnel in common with the reporting enterprise. | Aaspas Investment Pvt.Ltd
Indian Chronical Ltd.
Lok Prakashan Ltd.
Zora Traders Ltd.
Lipi Mercantile Ltd. |

(ii) The Company has identified all related parties and details of transactions are given below. No provision for doubtful debts or advances is required to be made & no amounts have been written off or written back during the year in respect of debts due from or to related parties. There are no other related parties where control exists that need to be disclosed.

The following transactions were carried out with the related parties in the ordinary course of business:

GUJARAT CREDIT CORPORATION LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2011

PARTICULARS	As At 31/03/2011 Rs.	As At 31.03/2010 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT-LOSS BEFORE TAX AND EXTRAORDINARY ITEMS	(1,075,170.00)	(3,895,244.00)
ADJUSTMENTS FOR-		
DEPRECIATION/PREL/SHARE/ISSUE EXP	378,560.00	378,560.00
FOREIGN EXCHANGE INVESTMENTS		
INTERST/DIVIEND	2,122,972.00	5,171,472.00
DEFERRED TAX		
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,426,362.00	1,654,788.00
ADJUSTMENTS FOR-		
INCREASE IN TRADE AND OTHER RECEIVABLES	(8,230.00)	(76,493.00)
CHANGE IN LOANS & ADVANCES	(43,239,336.00)	2,927,123.00
INCREASE IN TRADE PAYABLES	(21,859,852.00)	(1,019,350.00)
CASH GENERATED FORM OPERATIONS	(63,681,056.00)	3,486,068.00
TAXES PAID		
INTEREST PAID	2,122,972.00	5,171,472.00
CASH FLOW BEFORE EXTRA ORDINARY ITEMS		
NET CASH FROM OPERATING ACTIVITIES	(65,804,028.00)	(1,685,404.00)
B. CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS		
DECREASE IN FIXED ASSETS		
ACQUISITIONS OF COMPANIES (AS PER ANNEXURE)-		
PURCHASE OF INVESTMENTS		
SALE OF INVESTMENTS	14,992,443.00	1,494,138.00
INTEREST RECEIVED		
DIVIDEND RECEIVED		
NET CASH USED IN INVESTING ACTIVITIES	(50,811,585.00)	(191,266.00)
C. CASH FLOW FROM FINANCING ACTIVITIES		
PROCEEDS FROM ISSUE OF SHARE CAPITAL		
PROCEEDS FROM LONG TERM BORROWING	49,894,794.00	1,025,169.00
REPAYMENT OF FINANCE LEASE LIABILITES		
DIVIDEND PAID		
NET CASH USED IN INVESTING ACTIVITIES		
NET INCREASE IN CASH AND CASH EQUIVALENTS	(916,791.00)	833,903.00
CASH AND CASH EQUIVALENTS AS AT 1-4-2010 (OPENING BALANCE)	3,661,754.00	2,827,851.00
CASH AND CASH EQUIVALENTS AS AT 31-03-2011 (CLOSING BALANCE)	2,744,963.00	3,661,754.00

For and behalf of the Board of Directors

AMAM S. SHAH
DIRECTOR

SHRIRAJ S. JHAVERI
DIRECTOR

BAHUBALI S. SHAH
CHAIRMAN
PLACE : AHMEDABAD
DATE - 28th June 2011

Balance Sheet abstract and Company's General Business Profile

“AS PER SCHEDULE VI, PART (IV) OF THE COMPANIES ACT, 1956”

1	Registration Details	: (Rupees in Thousands)
	Registration No.	: 04-20564
	State Code	: 4
	Balance Sheet Date	: 31.03.2011
2	Capital raised during the Year	
	Public Issue	: NIL
	Rights Issue	: NIL
	Bonus Issue	: NIL
	Private Placement	: NIL
3	Mobilisation and Deployment of Funds	(Rupees in Thousands)
	Total Liabilities	: 289821
	Total Assets	: 289821
	Source of Funds	
	Paid up Capital	: 85000
	Reserves & Surplus	: 22088
	Secured Loans	: 1829
	Unsecured Loans	: 180904
	Application of Funds	
	Net fixed Assets	: 2291
	Investments	: 33891
	Net Current Assets	: 253639
4	Performance of the Company	
	Turnover of the Company	: 3721
	(Including other Income)	
	Total Expenditure	: 4796
	Profit (Loss) before Tax	: -1075
	Profit (Loss) after Tax	: -1075
	Earning Per Share	: 0
	Dividend Rate	: NIL
5	Generic name of principal products/services of the Company	
	Item Code No. (ITC Code) Product Description	: N.A.
	Products / Services	(1) Loan and Investments (2) Development of Land (3) Shares & Commodity

Signature to Schedules 1 to 12
As per the Report of even date attached.

**For Parikh Mehta & Associates,
Chartered Accountants**

SACHIN MEHTA
PARTNER

BAHUBALI S.SHAH
CHAIRMAN

AMAM S.SHAH
DIRECTOR

SHRIRAJ S.JHAVERI
DIRECTOR

Place : Ahmedabad
Date : 28/06/2011

Place:Ahmedabad
Date: 28/06/2011

GUJARAT CREDIT CORPORATION LIMITED

Registered Office : 606, Sakar-I, Opp. Nehru Bridge, Ashram Road, Ahmedabad-380 009.

PROXY FORM

FOLIO NO. :

I / We _____ of _____ being a member / members of Gujarat Credit Corporation Limited.

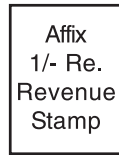
hereby appoint (1) _____ of _____

or failing him (2) _____ of _____

or failing him (3) _____ of _____

as my/our proxy to vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on Wednesday 28th September, 2011 at 10.30 A.M. at 606 Sakar-I, Opp. Nehru Bridge, Ashram Road, Ahmedabad-9. at any adjournment thereof.

Signed this _____ day of _____ 11.



Signature by the Said Member(s)

Note : The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.

ATTENDANCE SLIP

GUJARAT CREDIT CORPORATION LIMITED

Please complete this attendance slip and hand it over at the entrance of the meeting hall. Only members or their proxies are entitled to present at the meeting.

Name & Address	L. F. No.	No. of Shares Held
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I hereby record my/our attendance at the 18th (Eighteenth) Annual General Meeting of the Company being held on Wednesday 28th September, 2011 at 10.30 a.m. at 606, Sakar-I, Opp. Nehru Bridge, Ashram Road, Ahmedabad-9.

SIGNATURE OF THE SHARE HOLDER / PROXY:

BOOK-POST

If Undelivered Please return to :

GUJARAT CREDIT CORPORATION LIMITED

416-420, 4th Floor, Devnandan Mall,

Opp. Sanyas Ashram, Ashram Road, Ahmedabad-380 006.

Tel.: (079) 26582381 - 84

E-mail : sharepro.ahmedabad@sharepro.com