

# JHAVERI CREDITS & CAPITAL LIMITED

## 24<sup>th</sup> ANNUAL REPORT (2017-18)

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**BOARD OF DIRECTORS: -**

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

**CHIEF FINANCIAL OFFICER: -** Mr. Vatsal P. Desai

**AUDITORS: -**

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

**REGISTERED OFFICE: -**

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

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## INDEX

1. Notice	3
2. Directors Report	07
3. Management Discussion and Analysis report	13
4. Form No. MGT-9 Extract of Annual Return	15
5. Secretarial Audit Report	21
6. Particulars of Employees	24
7. Independent Auditor's Report	25
8. Balance Sheet	31
9. Statement of Profit & Loss	32
10. Cash flow Statement	33
11. Notes to Financial Statements	34
12. Attendance Slip	47
13. Proxy form	48
14. Route-map to the venue of the Meeting	49

## JHAVERI CREDITS & CAPITAL LIMITED

CIN: L65910GJ1993PLC020371

Reg. Office:- 301, Payal Towers-II, Sayajigunj, Vadodara-390020

Website- [www.jhavericommodity.com](http://www.jhavericommodity.com), E-mail:- [jvc@jhaveritrade.com](mailto:jvc@jhaveritrade.com), Contact no. 0265-2226201

### NOTICE

Notice is hereby given that the 24<sup>th</sup> Annual General Meeting of the members of M/s Jhaveri Credits & Capital Ltd. will be held on Saturday, 15<sup>th</sup> September, 2018 at 11:00 A.M at registered office of Company at 301, Payal Towers – II, Sayajigunj, Vadodara-390020 to transact the following business:-

#### ORDINARY BUSINESS:


1. To receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March, 2018 and the Profit & Loss Account for the period ended on that date together with the reports of the Directors and Auditors thereon.
2. To appoint Mr. Bhaderesh J. Jhaveri, as Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Mrs. Bela R. Jhaveri, as Director, who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint M/s MARKS & Co., Chartered Accountants, Ahmedabad having Firm Registration No. 136479W, as statutory auditors of the Company to hold office for one term of five consecutive years subject to ratification of appointment at every annual general meeting and to fix their remuneration.

Date: - 14-08-2018

Place: - Vadodara



for and on behalf of Board of Directors  
of M/s Jhaveri Credits & Capital Ltd

  
Kamlesh J. Jhaveri  
Whole-Time Director  
DIN: 00266242

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.** The proxy form duly completed and stamped must reach the registered office of the company not less than 48 hours before the time fixed for commencement of the meeting.
2. Members and Proxies attending the Meeting should bring the attendance slip duly filled in for attending the Meeting.
3. Corporate Members are requested to send a duly certified true copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
4. Members are informed that in case of joint holders attending the Meeting, only such Joint holder who is higher in the order of the names will be entitled to vote.
5. The Explanatory Statement setting pursuant to Section 102 of the Companies Act, 2013, is not required as there is no Special Business in the Notice.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 07<sup>th</sup> September, 2018 to Friday, 14<sup>th</sup> September, 2018 (both days inclusive) for the purpose of Annual General Meeting
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.
8. Electronic copy of the Notice of the 24<sup>th</sup> Annual General Meeting of the Company including copy of the Annual Report for 2017 -18 inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email ids are registered with the Depository Participant(s) or if in physical form then with the Company for communication purposes unless any member has requested for a hard copy of the same. For Members who have not registered their email addresses, physical copies of the Annual Report 2017 - 18 are being sent in the permitted mode.
9. Members may also note that the Notice of the 24<sup>th</sup> Annual General Meeting and the Annual Report for 2017 - 18 will also be available on the Company's website [www.jhavericommodity.com](http://www.jhavericommodity.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office In Vadodara for inspection during normal business hours on any working days up to the date of the AGM
10. Route-map to the venue of the Meeting is enclosed
11. **E-voting -**
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 24<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
  - II. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
  - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - IV. The remote e-voting period commences on Wednesday, 12<sup>th</sup> September, 2018 (9:00 am) and ends on Friday 14<sup>th</sup> September, 2018 (5:00 pm). During this period member's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14<sup>th</sup> September, 2018 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- V. The process and manner for remote e-voting are as under:
- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
- (i) Open email and open PDF file viz: "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder - Login
  - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (vii) Select "EVEN" of "Jhaveri Credits & Capital Ltd."
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [satishtrivedi.brd@jhaveritrade.com](mailto:satishtrivedi.brd@jhaveritrade.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Notice of AGM[for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM: EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
  - (ii) Please follow all steps from Sl. No. (i) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 07<sup>th</sup> September, 2018.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 07<sup>th</sup> September, 2018 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through "Polling Paper"
- XIII. Mr. Satish C. Trivedi, Chartered Accountant (Membership No. 030457), Chartered Accountants, Vadodara has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  - XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.jhavericommodity.com](http://www.jhavericommodity.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during business hours on all working days except Sunday and Holidays, up to and including the date of the Annual General Meeting of the Company.

## DIRECTOR'S REPORT

To,  
The Members of  
JHAVERI CREDITS AND CAPITAL LIMITED

Your Directors have pleasure in presenting the 24<sup>th</sup> Director's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31<sup>st</sup> March, 2018.

### FINANCIAL HIGHLIGHTS

(Rs. in lacs)

Particulars	Year ended on 31-3-2018	Year ended on 31-3-2017
Revenue from Operations & Other Income	134.39	160.33
Less: Total Expenditure	108.41	143.49
<b>OPERATING PROFIT</b>	<b>25.98</b>	<b>16.84</b>
Less: Finance Costs	4.70	7.01
<b>GROSS PROFIT/LOSS FOR THE YEAR</b>	<b>21.28</b>	<b>9.83</b>
Less: Depreciation and Amortization expense	1.43	2.33
<b>PROFIT/LOSS FOR THE YEAR</b>	<b>19.85</b>	<b>7.50</b>
Less: Provision for Taxation	5.16	2.30
Less: Deferred Tax Liability	-0.96	(0.10)
Less Excess Provision of Income Tax	-0.06	7.42
<b>PROFIT AFTER TAX</b>	<b>15.71</b>	<b>(2.11)</b>

### STATE OF COMPANY'S AFFAIRS

During the year under review, the total revenue generated by Company was Rs. 134.71 Lacs against 160.33 Lacs in the previous year. The Company has made profit after tax of Rs.15.71 lacs compared to Rs. 2.11 lacs loss in the previous year.

The Company is confident that as the global trend in commodity market are reviving and with more research and training to staff, the progress of Company will be driven by profitability with increase in turnover and client base.

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

This Annual Report contains a separate section on the Management Discussion and Analysis as ANNEXURE: - I, which forms part of the Directors' Report

### TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

For the financial year ended 31<sup>st</sup> March, 2018, the Company proposes to carry nil amount to General Reserve Account.

### DIVIDEND

Your Directors do not recommend any dividend for the year ended on 31<sup>st</sup> March, 2018.

### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year no money have been transferred to Investor Education and Protection Fund

## MATERIAL CHANGES BETWEEN THE DATE OF BOARD REPORT AND END OF FINANCIAL YEAR

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

## ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 in Form MGT-9 is annexed herewith as **ANNEXURE:- II** for your kind perusal and information.

## DIRECTORS

As per Section 152 of the Companies Act, 2013, Mr. Bhaderesh J. Jhaveri and Mrs. Bela R. Jhaveri, Directors of the Company, retire by rotation at the ensuing Annual General meeting and offers themselves for re-appointment.

## MEETINGS OF THE BOARD OF DIRECTORS

The following Meetings of the Board of Directors were held during the Financial Year 2017-18

SN	Date of Meeting	Board Strength	No. of Directors Present
1	11-04-2017	5	5
2	02-05-2017	5	4
3	30-05-2017	5	5
4	05-06-2017	5	5
5	07-07-2017	5	4
6	14-08-2017	5	4
7	14-09-2017	5	5
8	04-10-2017	5	4
9	07-11-2017	5	4
10	14-12-2017	5	5
11	02-01-2018	5	4
12	14-02-2018	5	5
13	06-03-2018	5	4

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) 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;
- (d) The directors had prepared the annual accounts on a going concern basis; and



- (e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

The Board of Directors of the Company hereby confirms that all the Independent directors duly appointed by the Company have given the declaration and they meets the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

#### **AUDITORS' REPORT**

##### 1) Independent Auditors Report

M/s Mukund & Rohit, Chartered Accountants, Vadodara having Firm Registration No. 113375W, conducted statutory audit of Company for financial year ended on 31<sup>st</sup> March, 2018, Independent Auditors Report forms part of financial statement which forms part of Annual Report, There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

##### 2) Secretarial Audit Report

Pursuant to provision of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board of Directors of your Company has appointed Ms. Heena Patel, Practicing Company Secretary, to Conduct Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as **ANNEXURE: - III** to this report.

As the Secretarial Auditor has stated in their report During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except as per Regulation 13(3) of Statement of investor Complaints and Regulation 31 of Shareholding Pattern of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, could not be submitted to BSE Ltd. within 21 days from the quarter ended on 30<sup>th</sup> September, 2017.

The Board of Director of your Company would like to state that as regard to their observation, the Company has submitted Regulation 13(3) of Statement of investor Complaints and Regulation 31 of Shareholding Pattern of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, on 23<sup>rd</sup> October 2017, as the Diwali holidays were there during that period and concerned staff were not available during that time. Hence Company could not submit above compliance within 21 days from the quarter ended on 30<sup>th</sup> September, 2017.

#### **AUDIT COMMITTEE**

The Company's Audit Committee comprises of following Directors. The table sets out the composition of the Committee:

<b>Name of the Director</b>	<b>Position held in the Committee</b>	<b>Category of the Director</b>
Mr. Ashesh J Trivedi	Chairman / Member	Independent Director
Mr. Bhaderesh J. Jhaveri	Member	Non Executive Non Independent Director
Mr. Bimal D. Mehta	Member	Independent Director

## SHAREHOLDERS /INVESTORS GRIEVANCE COMMITTEE

The Company's Shareholders/Investors Grievance Committee comprises of following Directors. The table sets out the composition of the Committee:

Name of the Director	Position held in the Committee	Category of the Director
Mr. Ashesh J Trivedi	Chairman / Member	Independent Director
Mr. Kamlesh J Jhaveri	Member	Whole- time Director
Mr. Bhaderesh J. Jhaveri	Member	Non Executive Non Independent Director

## NOMINATION AND REMUNERATION COMMITTEE

The Company's Nomination and Remuneration Committee comprises of following Non-executive Directors. The table sets out the composition of the Committee:

Name of the Director	Position held in the Committee	Category of the Director
Mr. Bhaderesh J. Jhaveri	Chairman / Member	Non Executive Non Independent Director
Mr. Ashesh J Trivedi	Member	Independent Director
Mr. Bimal D. Mehta	Member	Independent Director

The Nomination and Remuneration Committee among its members shall prepare the matters pertaining to the nomination and remuneration of Board members, the appointment and remuneration of the managing director and other executives of the company as well as the remuneration schemes of the personnel.

## LOANS, GUARANTEES AND INVESTMENTS

The Company has following Loans, Guarantee given and Investments made under section 186 of the Companies Act, 2013 for the financial year ended 31st March 2018:

SN	Date of Transaction	Particular/Purpose/Nature of Transaction	Amount of Transaction
Company has not entered into any transaction covered under Section 186 of Companies Act, 2013			

## RELATED PARTY TRANSACTIONS

The Company is required to enter into various Related Parties Transactions as defined under Section 188 of the Companies Act, 2013 with related parties as defined under Section 2 (76) of the said Act. Further all the necessary details of transaction entered with the related parties are shown in notes forming part of financial statement for the year ended as on 31st March, 2018 for your kind perusal and information. The Company has not entered into any new contract or agreement under section 188 of Companies Act, 2013. In financial year 2017-18 and hence the provisions of Section 134(3)(h) is not attracted and has not prepared FORM No. AOC-2.

## INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

## CORPORATE SOCIAL RESPONSIBILITY

Your company is not required to comply with the provisions of Corporate Social Responsibility as per requirement of Section 135 read with Schedule VII of the Companies Act 2013

## KEY MANAGERIAL PERSONNEL

During the year under review, following persons held position of Key Managerial Personnel of the Company in compliance with the provisions of Section 203 of the Companies Act, 2013.

Mr. Kamlesh J. Jhaveri – Whole-time Director  
Mr. Vatsal Desai – CFO  
Mr. Agnivesh Sathe – Company Secretary

Remuneration and other details of the Key Managerial Personnel for the financial year ended 31<sup>st</sup> March, 2018 are mentioned in the Extract of the Annual Return which is attached to the Directors' Report.

## PARTICULARS OF EMPLOYEES

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. A statement containing particulars of employees pursuant to section 134 (3) (q) of Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial personnel) rules, 2014 is annexed herewith as ANNEXURE:- IV

## PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of holding at beginning of Year	% of holding at end of year
Nil					

## VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 AND Companies Meeting of Board & its powers Rules, 2014, Company has formulated Vigil Mechanism and the same is available on web site of Company [www.jhavericommodity.com](http://www.jhavericommodity.com)

## RELATED PARTY DISCLOSURE

As Company did not have any Holding or Subsidiary Company, Company has not made disclosure as required under Regulation 53(f) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

## GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

#### **SEXUAL HARASSMENT**

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **FOREIGN EXCHANGE EARNINGS AND OUTGO**

There were no foreign exchange earnings and outgo during the year under review.

#### **RISK MANAGEMENT**

The Company has risk assessment and minimization system in place. The risk management procedures are reviewed regularly.

#### **ACKNOWLEDGEMENT**

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and dealers of the Company.

Date: - 30-05-2018

Place: - Vadodara



for and on behalf of Board of Directors  
of M/s Jhaveri Credits & Capital Ltd

  
Kamlesh J. Jhaveri  
Whole-Time Director  
DIN: 00266242

## **ANNEXURE – I**

### **Management Discussion and Analysis Report**

#### **Industrial Structure and Development**

The Company is initial member of National Commodity & Derivatives Exchange Limited (NCDEX) and Multi Commodity Exchange of India Limited (MCX) since 2007-08. These exchanges were regulated by Forward Market Commission (FMC) since incorporation till year 2015, now both the Exchanges have come under control of operation and compliance of SEBI (Securities and Exchange Board of India) as Market Regulator.

The Company is in process of Registration with SEBI through Both Commodities Exchanges. The result with better disciplined business in commodity market, particularly in bullion, Base metals, Agro Commodities and Energy, the future will be defiantly bright.

#### **Company's Performance**

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

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

#### **Discussion on financial performance with respect to operational performance**

The Companies financial discipline has helped to sustain in the critical time of inflation. The Company do venture into share trading to have liquidities and earning support in time to come as share trading being most liquid form of finance and better managed activities.

The operations are getting reviewed with market movement and the trend is observed on positive growth. The static cost on operation will give better performance with potential growth in the years to come

#### **Opportunities, Threats and Future Outlook**

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

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

#### **Internal Control System and their adequacy**

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

## Human Resources

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

## RISK AND CONCERNS

The Company's Broking business is fully safe and secured as Risk Management policies is implemented and perceived properly. The risk is high as brokerage of paisa will cost Rs. 100, if turns to 'No' recovery/bad debts. The need to involve in business/broking dealings of clients and most vigilant of leverage business, accommodation etc. against exchange norms and margin provisions. The exchange obligation and margin exposure compliance is to be met fully. The automation help a lot in controlling the risk of liquidity/money getting blocked and crises of liquidity but discipline business reduce the risk to a great extent and the company has a deep concern for the same.


## Cautionary statement

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

Date: - 30-05-2018  
Place: - Vadodara



for and on behalf of Board of Directors  
of M/s Jhaveri Credits & Capital Ltd

  
Kamlesh J. Jhaveri  
Whole-Time Director  
DIN: 00266242

## ANNEXURE - II

### Form No. MGT-9 EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS :

- i) CIN L65910GJ1993PLC020371  
ii) Registration Date 07/10/1993  
iii) Name of the Company Jhaveri Credits And Capital Limited  
iv) Category / Sub-Category of the Company Public Company  
v) Address of the Registered office and contact details 301 Payal Towers Sayajigunj,  
Vadodara - 390020  
Telephone : 0265 2226201  
Fax Number : 0265 2225378  
Email : info@jhaverisec.com  
vi) Whether listed company Yes  
vii) Name and Address of Registrar & Transfer Agents ( RTA )  
Name of Registrar & Transfer Agents MCS Share Transfer Agent Ltd  
Address 10, Aram apartment, Sampatrao colony,  
behind laxmi hall, Alkapuri  
Town / City Vadodara  
State Gujarat  
Pin Code 390007  
Telephone 0265-2339397  
Fax Number 0265-02341639  
Email Address mcsitdbaroda@yahoo.com

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

SN	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	COMMODITIES BROCKING	66120	82.58%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
As on 31 <sup>st</sup> March, 2018 Company did not have any Holding, Subsidiary And Associate Companies					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	4069948	-	4069948	62.97%	4069949	-	4069949	62.97%	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (1)</b>	<b>4069949</b>	<b>-</b>	<b>4069949</b>	<b>62.97%</b>	<b>4069949</b>	<b>-</b>	<b>4069949</b>	<b>62.97%</b>	<b>-</b>
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (1)+(2)</b>	<b>4069949</b>	<b>-</b>	<b>4069949</b>	<b>62.97%</b>	<b>4069949</b>	<b>-</b>	<b>4069949</b>	<b>62.97%</b>	<b>-</b>
<b>B. Public Shareholding</b>									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (3)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	301088		301088	4.68%	278503	-	278503	4.31%	-0.35%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders	429988	450800	880788	13.62	348082	434500	782582	12.11	-1.51%



holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh "	1035934	55600	1091534	16.89	1114056	65600	1179656	18.25	+1.36
c) Others (specify)HUF	152310	-	152310	2.36%	152610	-	152610	2.36%	-
<b>Sub-total (4)</b>									
<b>Total Public Shareholding (B)=(3)+(4)</b>	<b>1886951</b>	<b>506400</b>	<b>2393351</b>	<b>37.03%</b>	<b>1893251</b>	<b>500100</b>	<b>2393351</b>	<b>37.03%</b>	
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>5956900</b>	<b>506400</b>	<b>6463300</b>	<b>100%</b>	<b>5957100</b>	<b>506200</b>	<b>6463300</b>	<b>100%</b>	

#### B. Shareholding of Promoters

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Jitendra B. Jhaveri	176500	2.73	0	0	0	0	-2.73
2	Shakuntala J. Jhaveri	292600	4.53	0	292600	4.53	0	-
3	Rajesh J. Jhaveri	324000	5.01	0	324000	5.01	0	-
4	Kamlesh J. Jhaveri	415021	6.72	0	591521	9.15	0	+2.73
5	Bhaderesh J. Jhaveri	345100	5.34	0	345100	5.34	0	-
6	Bela R. Jhaveri	187000	2.89	0	187000	2.89	0	-
7	Sangita B. Jhaveri	188100	2.91	0	188100	2.91	0	-
8	Karan K. Jhaveri	97500	1.51	0	97500	1.51	0	-
9	Maulik R. Jhaveri	92000	1.42	0	92000	1.42	0	-
10	Kruti R. Jhaveri	92500	1.43	0	92500	1.43	0	-
11	Yash B. Jhaveri	91909	1.42	0	91909	1.42	0	-
12	Jeet B. Jhaveri	92000	1.43	0	92000	1.43	0	-
13	J. B. Jhaveri (HUF)	275700	4.27	0	275700	4.27	0	-
14	R. J. Jhaveri (HUF)	25800	0.40	0	25800	0.40	0	-
15	K. J. Jhaveri (HUF)	1347819	20.85	0	1347819	20.85	0	-
16	B. J. Jhaveri (HUF)	26400	0.41	0	26400	0.41	0	-
	<b>TOTAL</b>	<b>4069949</b>	<b>62.97</b>	<b>0</b>	<b>4069949</b>	<b>62.97</b>	<b>0</b>	

**C. Change in Promoters' Shareholding**

SN	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Jitendra B.Jhaveri	Promoters	176500	2.73	0	0
2	Kamlesh J. Jhaveri	Promoters	415021	6.42	591021	9.15
			591021	9.15	591021	9.15

**D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

SN	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Kiran S. Singhal		306437	4.74	306437	4.74
2	Kaizen Stocktrade Pvt. Lt		110000	1.70	0	0
3	Kunvarji Fincorp Pvt Ltd.		0	0	110000	1.70
4	Kantilal N Patel		106800	1.65	106800	1.65
5	Smita N. Patel		87707	1.35	164136	2.54
6	Shardaben B. Patel		77150	1.20	77150	1.20
7	BhulaBhai M. Patel		72350	1.12	72350	1.12
8	Pushpaben K.Patel		71350	1.11	71350	1.11
9	Shah Navinchandra N.		69400	1.10	69400	1.10
10	Shah Purbi H.		48800	0.76	0	0
11	Girish Babubhai Shah		41500	0.64	41500	0.64
12	Tarak A Patel		33100	0.51	42700	0.66

**E. Shareholding of Directors and Key Managerial Personnel**

SN	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Kamlesh J. Jhaveri	Whole-time Director	415021	6.42	591021	9.15
2	Bhaderesh J Jhaveri	Non-executive Director	345100	5.34	345100	5.34
3	Ashesh J. Trivedi	Independent Director	NIL	NIL	NIL	NIL
4	Bimal D Mehta	Independent Director	10000	0.15	10000	0.15
5	Bela R. Jhaveri	Director (woman)	187000	2.89	187000	2.89
6	Vatsal P. Desai	Chief Financial Officer	NIL		NIL	NIL
7	Agnivesh M. Sathe	Company Secretary	NIL		NIL	NIL

**V. INDEBTEDNESS :**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	4445536	-	-	4445536
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Addition	-	-	-	-
Reduction	4445536	-	-	4445536
Net Change	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	Nil	-	-	Nil

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

(Amount in Rupees)

SN	Name of MD/WTD/Manager	Gross salary			Stock Option	Sweat Equity	Commission		Others	Total	Ceiling as per the Act
		(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			as % of profit	others			
1.	Kamlesh J Jhaveri	3,00,000									3,00,000

**B. Remuneration to other directors**

(Amount in Rupees)

SN	Name of Directors	Independent Directors			Total (1)	Other Executive & Non-Executive Directors			Total (2)	Total (1+2)	Total Managerial Remuneration	Overall Ceiling as per the Act
		Fee for attending board / committee meetings	Commission	Others		Fee for attending board committee meetings	Commission	Others				
1	Bela R Jhaveri							2,40,000			2,40,000	

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(Amount in Rupees)

SN	Name of Key Managerial Personnel	Gross salary			Stock Option	Sweat Equity	Commission		Others	Total
		(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			as % of profit	others		
1.	Vatsal P. Desai	2,78,400								2,78,400
2.	Agnivesh M. Sathe	1,10,204								1,10,204

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : None**

## ANNEXURE – III

### SECRETARIAL AUDIT REPORT

(For the Financial year ended on 31st March, 2017)

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
JHAVERI CREDITS AND CAPITAL LIMITED  
301 PAYAL TOWERS SAYAJIGUNJ  
VADODARA

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by JHAVERI CREDITS AND CAPITAL LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31<sup>st</sup> March, 2018, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings – Not Applicable to the Company during the Audit period
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
  - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. - Not Applicable to the Company during the Audit Period;
  - D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. - Not Applicable to the Company during the Audit Period;
  - E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. - Not Applicable to the Company during the Audit Period;

- F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. - Not Applicable to the Company during the Audit Period; and
- H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. - Not Applicable to the Company during the Audit Period;
- I. Other laws specifically applicable to the Company:
  - 1. Forward Contracts (Regulation) Act, 1952
  - 2. Forward Contracts (Regulation) Rules, 1954
  - 3. By-Laws of MCX and NCDX Issued from time o time

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except as per Regulation 13(3) of Statement of investor Complaints and Regulation 31 of Shareholding Pattern of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, could not be submitted to BSE Ltd. within 21 days from the quarter ended on 30<sup>th</sup> September, 2017.

**We further report that;**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, were sent at least 7 days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the Audit period, all the decisions were taken by the Board of Directors or Committee of the Board without any dissent by any of the Directors of the Company as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Vadodara  
Date: 30.05.2018

Heena Patel  
Practising Company Secretary  
ACS No. A40323; CP No. 16241

**Note:** This report is to be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

## **Annexure to Secretarial Audit Report**

To  
The members,  
JHAVERI CREDITS AND CAPITAL LIMITED  
301 PAYAL TOWERS SAYAJIGUNJ  
VADODARA

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Vadodara**  
**Date: 30.05.2018**

**Heena Patel**  
**Practising Company Secretary**  
**ACS No. A40323; CP No. 16241**

**ANNEXURE – IV**

**PATICULARS OF EMPLOYEES PURSUANT TO SECTION 134 (3) (q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

(ii)

Sr. No	Name of Director / KMP and Designation	Remuneration of Director / KMP for the financial year 2017-18	Percentage increase in remuneration for the financial year 2017-18	Ratio of remuneration of each Director to the median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of Company.
1	Kamlesh J. Jhaveri Whole time Director	Rs. 3,00,000	Nil	1.45%	There was net profit of Rs.15,71,161/- in financial year 2017-18
2	Bela R. Jhaveri Director	Rs. 2,40,000	Nil	1.16%	
3	Vatsal P. Desai Chief financial Officer	Rs. 2,78,400	Nil	1.35%	
4	Agnivesh M Sathe Company Secretary**	Rs.1,20,000	Nil	0.58%	

\* Mr. Agnivesh M. Sathe was the Company Secretary of the Company has resigned on 30.04.2018.

- (i) The median remuneration of the employees of the Company during the financial year 2017-18 was Rs. 2,40,000/-
- (ii) There was no percentage increase in the median remuneration of employees in financial year 2017-18
- (iii) There were 10 (ten) permanent employees on the rolls of the Company as on 31-3-2018
- (iv) Comparison of the remuneration of Key Managerial Personnel against the performance of the Company  
There was no increase in total remuneration of Key Managerial Personnel in financial year 2017 -18
- (v) The market capitalization as on 31-03-2017 was Rs. 4,58,89,430/- and as on 31-03-2018 was Rs. 3,62,19,113/-
- (vi) Price Earnings ratio was (1.76) as on 31-3-2017 and as on 31-03-2018 was 0.25
- (vii) The key parameters for the variable component of remuneration availed by the Directors are considered by Board of Director based on recommendations of the Nomination and Remuneration Committee as per the remuneration policy for Directors, key Managerial Personnel, and other employees
- (viii) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable
- (ix) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.





## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF JHAVERI CREDITS AND CAPITAL LIMITED**

#### **Report on Financial Statements**

We have audited the accompanying financial statements of Jhaveri Credits and Capital Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting



principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section(11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 *except Employee Benefit Expenses as per AS-15 "Employee Benefits", wherein valuation of Employee Benefits is not done as per actuarial valuation;*
- e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The other points referred in Section 143(3) of the Companies Act, 2013 are not applicable to the Company for the year under the review.



### **Annexure - A to the Auditor's Report**

The Annexure - A referred to in our report to the members of **Jhaveri Credits and Capital Limited** for the year ended March 31, 2018, we report that:

- I.
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) It is informed to us that the Company has undertaken the physical verification during the year. However, the formal documentations for the same are not available for our verification. Thus, we are unable to comment for the same.
  - (c) According to the information and explanation given to us, the title deeds of immovable properties, as disclosed in Note No.-11 are held in the name of the Company.
- II. Since the Company holds inventory of shares in Dematerialised form, the question of commenting on physical verification of inventory does not arise and no material discrepancies were noticed during the period under review.
- III. As informed to us, the Company has not granted loans, secured or unsecured to Companies, firms, LLP or other parties covered in register maintained under section 189 of the Companies Act 2013. Hence, the reporting of whether the receipt of the principal amount and interest are regular; and, whether reasonable steps for the recovery of overdues of such loan are taken is not applicable.
- IV. In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- V. Based on the our scrutiny of Company's record and according to the information and explanation provided by the management, in our opinion,



the Company has not accepted any loans or deposits, which are "Deposits" within the meaning of Rule 2(b) of the Companies (Acceptance of Deposits) Rules, 2014.

- VI. According to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.
- VII.
- (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income -Tax, Service tax, value added tax and any other statutory dues to the appropriate authorities and no statutory dues were outstanding, as at 31st March, 2018 for a period of more than six months from the date they became payable *except Employee's contribution towards ESIC of Rs.518/-.*
- (b) According to the information and explanation given to us, there are no dues of Income Tax or Sales Tax or Service Tax or value added tax, which have not been deposited on account of any dispute *except Income Tax of Rs. 65,469 for A.Y. 2009-10 and Rs.22,098 for A.Y. 2005-06.*
- VIII. Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- IX. Based on our audit procedures and as per the information and explanations given by the management, Company has not raised money by initial public offer or further public offer (including debt instruments) and term loans during the period covered by our audit report.
- X. Based on the audit procedure performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.



- XI. Based on the our scrutiny of Company's record and according to the information and explanation provided by the management, in our opinion, the managerial remuneration has been paid or provided in accordance with General Circular No. 07/2015 dated 10<sup>th</sup> April 2015, the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act was not required to be taken.
- XII. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of Companies (Auditor's Report) Order, 2016 are not applicable.
- XIII. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards at Note 27 of financial statements.
- XIV. Based on our examination of records and information provided to us by management, we report that the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- XV. Based on our examination of records and information provided to us by management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- XVI. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi) of Companies (Auditor's Report) Order, 2016 are not applicable.

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

**Mukund Bakshi**  
**Partner**  
**Membership No. 041392**

**Place : Vadodara**  
**Date : 30.05.2018**



## **Annexure - B to the Auditor's Report**

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

We have audited the internal financial controls over financial reporting of Jhavcri Credits and Capital Limited ("the Company") as of 31st March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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



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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,





projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place: Vadodara**  
**Date: 30.05.2018**

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

**Mukund Bakshi**  
**Partner**  
**Membership No. 041392**



**JHAVERI CREDITS AND CAPITAL LIMITED**

Balance Sheet As At 31st March, 2018

Particulars	Note No.	As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholder's Funds			
(a) Share Capital	3	64,633,000	64,633,000
(b) Reserves & Surplus	4	18,867,681	17,296,520
(2) Non-Current liabilities			
(a) Long Term Liabilities	5	14,008,191	14,008,191
(b) Long Term Provisions	6	260,000	215,000
(c) Deferred Tax liabilities (Net)	29	-	71,846
(3) Current Liabilities			
(a) Short-Term Borrowings	7	-	4,445,538
(b) Trade Payables	8	10,830,089	21,265,515
(c) Other Current Liabilities	9	295,333	276,192
(d) Short-Term Provisions	10	515,500	230,000
<b>Total</b>		<b>109,409,794</b>	<b>122,441,799</b>
<b>II. ASSETS</b>			
(1) Non-current Assets			
(a) Property, Plant & Equipments - Tangible	11	838,853	1,189,340
(b) Non-current Investments	12	7,465,000	7,465,000
(c) Long Term Loans and Advances	13	4,880,522	3,870,486
(d) Deferred Tax Asset (Net)	29	24,040	-
(2) Current Assets			
(a) Inventories	14	44,449,949	39,272,942
(b) Current Investments	15	3,097,000	1,850,000
(c) Trade Receivables	16	14,888,942	15,283,720
(d) Cash and Cash Equivalents	17	27,534,961	46,054,010
(e) Short-Term Loans and Advances	18	311,227	257,342
(f) Other Current Assets	19	6,121,301	7,198,959
<b>Total</b>		<b>109,409,794</b>	<b>122,441,799</b>

Notes to Accounts

1 to 32

As per our Report of even date attached

For MUKUND & ROHIT  
Chartered Accountants  
Registration No. 113375W

Mukund Bakshi  
Partner  
M. No: 041392



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

Kamlesh J. Jhaveri  
Whole-Time Director  
DIN: 00266242

Bhaderesh J. Jhaveri  
Director  
DIN:00266287

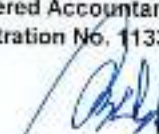


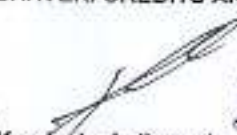
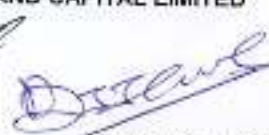
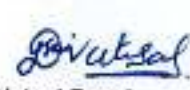
*Vatsal*  
Vatsal Desai  
Chief Financial Officer

Place: Vadodara  
Date: 30.05.2018

Place: Vadodara  
Date: 30.05.2018

**JHAVERI CREDITS AND CAPITAL LIMITED**

**Statement of Profit & Loss for the year ended 31st March, 2018**

Particulars		Note No.	2017-18 Amount (₹)	2016-17 Amount (₹)
I	Revenue from Operations	20	11,393,024	13,240,865
II	Other Income	21	2,077,619	2,792,650
III	<b>Total Revenue (I + II)</b>		<b>13,470,642</b>	<b>16,033,515</b>
IV	<b>Expenses:</b>			
	Employee benefits expense	22	3,668,418	3,772,348
	Finance costs	23	469,795	701,478
	Depreciation and amortization expense	11	143,362	233,144
	Other expenses	24	7,172,592	10,538,353
	<b>Total expenses</b>		<b>11,454,166</b>	<b>15,245,323</b>
V.	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>2,016,476</b>	<b>788,192</b>
VI.	Exceptional items			
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>2,016,476</b>	<b>788,192</b>
VIII.	Extraordinary Items (Prior Period Expenses)		32,106	37,910
IX.	<b>Profit before tax (VII- VIII)</b>		<b>1,984,370</b>	<b>750,282</b>
X	<b>Tax expense:</b>			
	(1) Current tax		515,500	230,000
	(2) Deferred tax		(95,686)	(10,499)
	(3) Short / Excess Provision of Income Tax of P.Y.	29	(6,405)	742,002
XI	<b>Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>1,571,161</b>	<b>(211,220)</b>
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>			
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>1,571,161</b>	<b>(211,220)</b>
XVI	<b>Earnings per equity share:</b>			
	(1) Basic		0.24	(0.033)
	(2) Diluted			
	<b>Significant Accounting Policies</b>	2		
Notes to Accounts		1 to 32		
As per our Report of even date attached				
For MUKUND & ROHIT Chartered Accountants Registration No. 113375W		For & on behalf of the Board JHAVERI CREDITS AND CAPITAL LIMITED		
  <b>Mukund Bakshi</b> Partner M. No: 041392		  <b>Kamlesh J. Jhaveri</b> Whole-Time Director DIN: 00266242		
		 <b>Bhaderesh J. Jhaveri</b> Director DIN:00266287		
		 <b>Vatsal Desai</b> Chief Financial Officer		
Place: Vadodara Date: 30.05.2018		Place: Vadodara Date: 30.05.2018		

**JHAVERI CREDITS AND CAPITAL LIMITED**

**Cash Flow Statement For The Year Ended 31st March, 2018**

Particulars	2017-18 Amount (₹)	2016-17 Amount (₹)
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / Loss before Tax & Extra ordinary items:	1,984,370	750,282
<b>Adjustments For:</b>		
Depreciation & Amortization Expense	143,362	233,144
Profit on sale of Fixed Asset	(489,899)	-
Loss on Mutual Fund	3,000	-
Prior Period Items	32,106	37,910
Interest Expenses	163,565	385,946
Interest Income	(1,312,273)	(2,353,905)
<b>Operating Profit Before Working Capital Changes</b>	<b>524,232</b>	<b>(948,623)</b>
<b>Adjustments For:</b>		
Trade Receivables and Short-term Loans and Advances	540,893	3,764,868
Inventories	(5,177,005)	204,232
Other Current Assets	1,077,658	22,201,384
Trade Payables, Other Current Liabilities and Short Term Provisions	(10,130,785)	(3,938,393)
Long-term Loans and Advances and Other Non-current Assets	(1,034,076)	(406,579)
Other Long-term Liabilities and Long-term Provisions	(26,646)	(1,208,622)
<b>Cash Generated From Operations</b>	<b>(14,750,162)</b>	<b>20,616,890</b>
Income Tax Paid	(14,225,930)	19,670,267
<b>Net Cash From Operating Activities</b>	<b>448,313</b>	<b>961,503</b>
	<b>(14,674,243)</b>	<b>18,708,764</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(154,975)	(19,500)
Sale of Fixed Assets	853,998	-
Purchase of Investment	(1,247,000)	(1,200,000)
Interest Income	1,312,273	2,353,905
<b>Net Cash From Investing Activities</b>	<b>764,296</b>	<b>1,134,405</b>
<b>C) CASH FLOW FINANCING ACTIVITIES</b>		
Repayment of Long term Borrowings	-	-
(Increase) / Decrease in Short-term Borrowings	(4,445,536)	(163)
Interest Expenses	(163,565)	(385,946)
<b>Net Cash From Financing Activities</b>	<b>(4,609,101)</b>	<b>(386,109)</b>
<b>Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(18,519,048)</b>	<b>19,457,059</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>46,054,010</b>	<b>26,596,951</b>
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>27,534,961</b>	<b>46,054,009</b>

As per our Report of even date attached

For MUKUND & ROHIT  
Chartered Accountants  
Registration No. 11B375W

Mukund Bakshi  
Partner  
M. No: 041392



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

Kamlesh J. Jhaveri  
Whole-Time Director  
DIN: 00266242

Bhaderesh J. Jhaveri  
Director  
DIN:00266287

Vatsal Desai  
Chief Financial Officer

Place: Vadodara  
Date: 30.05.2018

Place: Vadodara  
Date: 30.05.2018

## **JHAVERI CREDITS & CAPITAL LIMITED**

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2018**

### **NOTE: - 1 Corporate Information**

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

### **NOTE: - 2 SIGNIFICANT ACCOUNTING POLICIES**

#### **2.1 Basis of Preparation of Financial Statements**

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

#### **2.2 Use of Estimates:**

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

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

### **2.3 Property, Plant and Equipment:**

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

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

### **2.4 Investments:**

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

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

### **2.5 Inventories:**

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

## **2.6 Revenue Recognition:**

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

## **2.7 Provision for Current and Deferred Tax:**

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

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

## **2.8 Treatment of Contingent Liabilities:**

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

**JHAVERI CREDITS AND CAPITAL LIMITED**

Notes Forming Part of the Balance Sheet as at 31st March, 2018

**Note 3: Share Capital**

**a. Details of Each class of shares**

Particulars	As At 31.03.2018		As At 31.03.2017	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
<b>1 Share Capital</b>				
<b>Authorized Capital:</b>				
Equity shares of (Rs.) 10/- each	7,000,000	70,000,000	7,000,000	70,000,000
Preference shares of (Rs.) 10/- each	3,000,000	30,000,000	3,000,000	30,000,000
	<b>10,000,000</b>	<b>100,000,000</b>	<b>10,000,000</b>	<b>100,000,000</b>
<b>2 Issued Subscribed &amp; fully paid-up Capital:</b>				
Equity shares of (Rs.) 10/- each	6,463,300	64,633,000	6,463,300	64,633,000
<b>Total</b>	<b>6,463,300</b>	<b>64,633,000</b>	<b>6,463,300</b>	<b>64,633,000</b>

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

Particulars	As At 31.03.2018		As At 31.03.2017	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
<b>Equity Shares:</b>				
Shares Outstanding at the beginning of the year	6,463,300	64,633,000	6,463,300	64,633,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement	-	-	-	-
Shares outstanding at the end of the year	<b>6,463,300</b>	<b>64,633,000</b>	<b>6,463,300</b>	<b>64,633,000</b>

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

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

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

Name of Shareholder	As At 31.03.2018		As At 31.03.2017	
	No. of Shares	% of Holding	No. of Shares	% of Holding
1 Rajesh J. Jhaveri	324,000	5.01	324,000	5.01
2 Kamlesh J. Jhaveri	591,521	9.15	415,021	6.42
3 K. J. Jhaveri HUF	1,347,819	20.85	1,347,819	20.85
4 Bhaderesh J. Jhaveri	345,100	5.34	345,100	5.34
<b>Total</b>	<b>2,608,440</b>	<b>40.35</b>	<b>2,431,940</b>	<b>37.62</b>



**JHAVERI CREDITS AND CAPITAL LIMITED**

Notes Forming Part of the Balance Sheet as at 31st March, 2018

**Note 4: Reserves & Surplus**

Particulars		As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
1	<b>General Reserve</b>		
	Opening balance	2,380,147	2,380,147
	Add: Transferred from the Special Reserve	-	-
	Less: Written back in current year	-	-
	Closing Balance (B)	2,380,147	2,380,147
2	<b>Surplus / (deficit) in the statement of Profit and Loss</b>		
	Balance as per last financial Statements	14,916,373	15,127,593
	Net Profit/(Loss) for the year	1,571,161	(211,220)
	Closing Balance (C)	16,487,534	14,916,373
	<b>TOTAL(A+B+C)</b>	<b>18,867,681</b>	<b>17,296,520</b>

**Note 5: Long Term Liabilities**

Particulars		As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
	Margin Money from Customers	14,008,191	14,008,191
	<b>TOTAL</b>	<b>14,008,191</b>	<b>14,008,191</b>

**Note 6: Long Term Provisions**

Particulars		As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
	- Income Tax Provision	260,000	215,000
	<b>TOTAL</b>	<b>260,000</b>	<b>215,000</b>

**Note 7: Short Term Borrowings**

Particulars		As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
	<b>Secured:</b>		
	Bank Overdraft with HDFC Bank (Secured by The Fixed Deposit of Rs. 50,00,000 for the tenure of 12 month & 18 days)	-	4,445,536
	<b>TOTAL</b>	<b>-</b>	<b>4,445,536</b>

**JHAVERI CREDITS AND CAPITAL LIMITED**

Notes Forming Part of the Balance Sheet as at 31st March, 2018

**Note 8: Trade Payables**

Particulars		As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
	Dues to - Micro Small Medium Enterprises - Sundry Creditors	-	-
		10,830,089	21,265,515
	<b>TOTAL</b>	<b>10,830,089</b>	<b>21,265,515</b>

**Note:**

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

**Note 9: Other Current Liabilities**

Particulars		As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
<b>1</b>	<b>Govt. Liabilities</b>		
	P.F. Payable		
	-Employer's Liability	26,701	25,351
	-Employee's Liability	24,840	24,840
	ESIC Payable	-	-
	-Employer's Liability	2,945	3,752
	-Employee's Liability	1,604	1,382
	TDS Payable	275,542	177,996
	Professional Tax Payable	1,800	2,200
	Stamp Duty Payable	24,953	40,153
	Gujarat Labour Welfare fund	-	18
	GST Set Off	(63,052)	-
<b>2</b>	<b>Other Payables</b>		
	- Other Liabilities	-	500
	<b>TOTAL</b>	<b>295,333</b>	<b>276,192</b>

**Note 10: Short Term Provisions**

Particulars		As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
	- Income Tax Provision	515,500	230,000
	<b>TOTAL</b>	<b>515,500</b>	<b>230,000</b>

**JHAVERI CREDITS AND CAPITAL LIMITED**

Notes Forming Part of the Balance Sheet as at 31st March, 2018

Note 11: Property, Plant & Equipment

Particulars	GROSS BLOCK - AT COST				DEPRECIATION /AMORTISATION				Amount in (')	
	As at April 1, 2017	Additions	Deduction/ Adjustments	As at March 31,2018	Up to April 1,2017	For the year	Deduction	Up to March 31,2018	As at March 31,2018	As at March 31,2017
Office Building	1,796,717	-	853,998	942,719	1,007,035	23,262	489,898	540,399	402,320	789,682
Furniture & Fixtures	1,223,620	-	-	1,223,620	1,167,286	-	-	1,167,286	56,334	56,334
Computer Equipment	3,424,421	154,975	-	3,579,396	3,313,614	39,428	-	3,353,042	226,354	110,807
Office Equipments	33,479	-	-	33,479	31,504	-	-	31,504	1,975	1,975
Vehicles	1,270,532	-	-	1,270,532	1,039,988	60,672	-	1,120,680	149,672	230,544
<b>Total</b>	<b>7,748,769</b>	<b>154,975</b>	<b>853,998</b>	<b>7,049,746</b>	<b>6,559,427</b>	<b>143,362</b>	<b>489,898</b>	<b>6,212,891</b>	<b>836,655</b>	<b>1,189,342</b>
Previous Year	7,729,269	19,500		7,748,769	6,326,283	233,144		6,559,427	1,189,342	1,402,984

**JHAVERI CREDITS AND CAPITAL LIMITED**

Notes Forming Part of the Balance Sheet as at 31st March, 2018

**Note 12: Non Current Investments**

Particulars		As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
1	<b>Trade Investments</b> Shares of Makarpura Co-op Bank (5,000 shares of ₹ 10/- Each)	50,000	50,000
2	<b>In Equity Shares of Associate Companies (Unquoted)</b> Jhaveri Securities Ltd. (9,88,866 Share of ₹ 10/- Each)	7,415,000	7,415,000
<b>TOTAL</b>		<b>7,465,000</b>	<b>7,465,000</b>

**Note 13: Long Term Loans & Advances**

Particulars		As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
1	<b>Security Deposit</b> Rent Deposit Deposit With the Exchange	44,000 4,500,000	44,000 3,500,000
2	<b>Unsecured, Considered good</b> Advance Income Tax	336,522	326,486
<b>TOTAL</b>		<b>4,880,522</b>	<b>3,870,486</b>

**Note 14: Inventories**

Particulars		As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
	Stock in trade	44,449,949	39,272,942
<b>TOTAL</b>		<b>44,449,949</b>	<b>39,272,942</b>

**Note 15: Current Investment**

Particulars		As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
	<b>Investment in Mutual Fund</b>		-
1	Magnum Global Fund SIP	1,550,000	950,000
2	Religare Invesco Min and Small Cap Fund Growth	1,450,000	900,000
3	DSP BR A.C.E FUND-SR-1 (G) 4984917130	97,000	-
<b>TOTAL</b>		<b>3,097,000</b>	<b>1,850,000</b>

**JHAVERI CREDITS AND CAPITAL LIMITED**

Notes Forming Part of the Balance Sheet as at 31st March, 2018

**Note 16: Trade Receivables**

Particulars		As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
1	<b>Outstanding for More than Six months</b> Unsecured, Considered Good : Includes Amount due from Related Party (Refer Note No. 27)	14,420,032	14,890,367
	<b>SUB TOTAL(A)</b>	<b>14,420,032</b>	<b>14,890,367</b>
2	<b>Others</b> Unsecured, Considered Good :	268,910	393,354
	<b>SUB TOTAL(B)</b>	<b>268,910</b>	<b>393,354</b>
	<b>TOTAL (A+B)</b>	<b>14,688,942</b>	<b>15,283,720</b>

**Note 17: Cash & Cash Equivalents**

Particulars		As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
1	Balance With Banks	9,459,018	23,489,598
2	Cash on hand	9,893	7,610
3	Fixed Deposit with Banks (Refer Note Below)	18,066,251	22,556,802
	<b>TOTAL</b>	<b>27,534,961</b>	<b>46,054,010</b>

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

**Note 18: Short Term Loans & Advances**

Particulars		As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
1	<b>Balances With Government Authorities</b> Service Tax Credit Receivable	-	58,032
2	Advance Tax & TDS Receivable	311,227	199,310
	<b>TOTAL</b>	<b>311,227</b>	<b>257,342</b>

**Note 19: Other Current Assets**

Particulars		As at 31.03.2018 Amount (₹)	As at 31.03.2017 Amount (₹)
1	Interest Accrued but not Due on Fixed Deposit	840,531	1,097,691
2	Deposit With the Exchange	5,000,000	6,000,000
3	Advance Recoverable in Cash or Kind Includes amount due from Related Party (Refer Note- 27)	280,769	101,268
	<b>TOTAL</b>	<b>6,121,301</b>	<b>7,198,959</b>

Notes Forming Part of the Statement of Profit & Loss for the year ended as on 31st March, 2018

Note 20: Revenue From Operations

Particulars		2017-18 Amount (₹)	2016-17 Amount (₹)
1	Brokerage Income	7,603,140	10,857,906
2	Income From Share Trading	3,748,759	2,232,956
3	Other Operating Income	41,125	150,003
<b>TOTAL</b>		<b>11,393,024</b>	<b>13,240,865</b>

Note 21: Other Income

Particulars		2017-18 Amount (₹)	2016-17 Amount (₹)
1	Interest Income (TDS: CY- Rs.131 227/-, PY- 199310/-)	1,312,273	2,353,905
2	Dividend Income	69,075	255,745
3	Other non - operating income	209,373	183,000
4	Profit/ (Loss) on Mutual Fund	(3,000)	-
5	Profit on sale of Fixed Assets	489,598	-
<b>TOTAL</b>		<b>2,077,619</b>	<b>2,792,650</b>

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

Note 22: Employee Benefit Expenses

Particulars		2017-18 Amount (₹)	2016-17 Amount (₹)
<b>Salaries and Wages</b>			
1	Director's Remunerations (Refer Note 27)	300,000	300,000
2	Salaries and Wages (Refer Note 27)	2,990,622	3,060,467
3	Contribution to :	-	-
	Provident Fund	322,784	363,663
	ESIC Contribution	46,812	47,998
<b>TOTAL</b>		<b>3,668,418</b>	<b>3,772,348</b>

**JHAVERI CREDITS AND CAPITAL LIMITED**

Notes Forming Part of the Statement of Profit & Loss for the year ended as on 31st March, 2018

**Note 23: Finance Cost**

Particulars		2017-18 Amount (₹)	2016-17 Amount (₹)
1	Interest expense on Borrowings	158,585	385,948
2	Other Bank Guarantee and Bank Charges	306,230	315,532
3	Interest on TDS	2,500	-
4	Interest on Income Tax	2,480	-
<b>TOTAL</b>		<b>469,795</b>	<b>701,478</b>

**Note 24: Other Expenses**

Particulars		2017-18 Amount (₹)	2016-17 Amount (₹)
1	Commission	3,527,340	5,975,858
2	Insurance	75,850	109,918
3	Legal & Professional Fees	243,450	441,667
4	Postage and Courier	3,383	94,203
5	Printing & Stationery	16,440	28,934
6	Rent, Rates and Taxes (Refer Note 27)	853,674	1,172,055
7	Repairs and Maintenance	395,250	129,490
8	Telephone and Communication Expenses	10,195	46,882
9	Trade Related Expenses	1,647,208	2,315,639
10	Income Tax Paid	42,929	-
11	Payment to Auditors	-	-
	- For Statutory & Tax Audit	65,000	50,000
12	Electricity Expenses	101,587	95,400
13	Miscellaneous Expenses	90,277	78,307
<b>TOTAL</b>		<b>7,172,592</b>	<b>10,538,353</b>

**JHAVERI CREDITS & CAPITAL LIMITED**

Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2018

**NOTE 25 Contingent Liabilities and Commitments:**

**25.1 Contingent Liabilities:**

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
I. Bank Guarantees with Stock Exchange	3,32,50,000	3,42,50,000
II. Outstanding Demand from IT Department		
□ A.Y. 2005-06 - Notice issued under Section 220(2)	22,098	-
□ A.Y. 2009-10 - Notice issued under Section 143(3) read with Sec 147	65,469	65,469
<b>Total</b>	<b>3,33,37,567</b>	<b>3,43,15,469</b>

**25.2 Commitments:**

I. Related to Contracts: Nil

II. Other Commitments: Nil

**NOTE 26 Earning Per Shares (EPS):**

Particulars		For the Year ended 31 <sup>st</sup> March, 2018	For the Year ended 31 <sup>st</sup> March, 2017
Net Profit after tax as per Profit and Loss accounts attributable to Equity Shareholders		15,71,161	(2,11,220)
Weighted Average number of equity shares used as denominator for calculating EPS	<b>Numbers</b>	64,63,300	64,63,300
Basic Earnings Per Share		0.24	(0.033)
Face Value per equity Share		10	10



## NOTE 27 Related Party Disclosures

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

### A. Relationships:

a. Key Management Personnel

Mr. Kamlesh J. Jhaveri

Mr. Vatsal Desai– Chief Financial Officer

Mrs. Bela Jhaveri – Woman Director

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

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

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

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

Sr . N o	Nature of Transaction	Company in which Director of company are Director	Key Managemen t Personnel	Relatives of Key Manageme nt personnel	Total	Total
					2017-18 (₹)	2016-17 (₹)
<b>Expenses</b>						
1	Rent	-	2,45,000	1,75,000	4,20,000	4,20,000
2	Remuneration to Directors	-	3,00,000	-	3,00,000	5,47,500
3	Salary	-	5,71,000	5,62,500	11,33,500	16,38,096
4	Professional Fees	-	-	-	-	52,055
5	Performance Incentive	-	-	4,84,370	4,84,370	55,200
<b>Income</b>						
1	Rent	1,04,000	-	-	1,04,000	1,83,000
<b>Share Trading</b>						
1	Purchase of Shares Through					
	Jhaveri Securities limited	1,20,64,009	-	-	1,20,64,009	51,93,689
2	Sale of Shares Through					
	Jhaveri Securities limited	1,06,35,761	-	-	1,06,35,761	76,30,876

**NOTE 28**

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

**NOTE 29 Deferred Tax Liabilities / (Assets)**

Particulars	As on 31.03.2017 (Amount in `)	During the Year (Amount in `)	As on 31.03.2018 (Amount in `)
Property, Plant & Equipment	71,846	(95,753)	(23,907)
Employees' Contribution towards staff welfare schemes Sec 36(1)(va)	-	(133)	(133)
<b>Total</b>	<b>71,846</b>	<b>(95,886)</b>	<b>(24,040)</b>

**NOTE 30**


In the opinion of the Board:

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

**NOTE 31**

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


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

  
**Mukund Bakshi  
Partner  
M No.:041392**



**For and on behalf of the Board**

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

  
**Bhaderesh Jhaveri  
Director  
DIN-00266287**

  
**Vatsal Desai  
Chief Financial  
Officer**

**Place: Vadodara  
Date : 30.05.2018**

**Place: Vadodara  
Date : 30.05.2018**