
J. J. FINANCE CORPORATION LTD.

BOARD OF DIRECTORS

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

REGISTERED OFFICE

3C, PARK PLAZA, 71, PARK STREET,
KOLKATA - 700 016

BANKER

INDIAN OVERSEAS BANK

AUDITORS :

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

SHARE TRANSFER AGENT

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

LEGAL ADVISORS :

R. L. GAGGAR & CO

J. J. FINANCE CORPORATION LTD.

NOTICE TO SHAREHOLDERS :

NOTICE is hereby given that the Twenty Eight Annual General Meeting of the Members of the company will be held on Saturday, the 24th day of September, 2011 at 1:00 pm. at 3C, Park Plaza, 71, Park Street, Kolkata - 700 016 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as on 31.03.2011 and the Profit & Loss Account for the year ended on that day and report of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Anil Jhunjhunwala, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Manoj Mehla, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

NOTES :

- a. *A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. A Proxy need not be a member of the company.*
- b. *Proxies in order to be valid, must be received by the registered office of the company not less than 48 hours before the commencement of the aforesaid meeting. Proxy forms are sent herewith.*
- c. Members holding shares in physical form are requested to notify any change in their address including pin code, Bank Mandate, Income Tax Permanent Account Number, etc. to the Company's Registrar and Share Transfer Agents :-
Niche Technologies Pvt. Ltd.
D-511, Bagree Market, 71 B.R.B. Basu Road
Kolkata-700 001
Member holding shares in dematerialised form are requested to furnish the information to their respective depository participants for updation of the changes.
- d. The Register of members of the company and the share transfer register will remain closed from the 19th September, 2011 to 24th September, 2011 (both days inclusive).
- e. Members are requested to bring their copies of the Annual Report and the attendance slip sent herewith to attend the Annual General meeting.

Registered Office :
71, Park Street, 3C Park Plaza,
Kolkata - 700 016
Dated : 15.07.2011

For and on behalf of the Board

Anil Jhunjhunwala
Director

J. J. FINANCE CORPORATION LTD.

DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors have pleasure in presenting the Twenty Eight Annual Report and the Audited Accounts on the business and operations of your Company for the year ended 31st March, 2011

FINANCIAL RESULTS :

(₹ in 000's)

	2010-2011	2009-2010
Gross Income	4345	7444
Profit Before Depreciation and Tax	2327	6264
Depreciation	1235	1325
Profit Before Tax	1092	4939
Provision for Tax	238	1529
(Add) / Less:		
Income Tax adjustment for earlier years (net)	(21)	32
Profit after tax	875	3376
Add: Balance from previous year	10285	7907
Less: Transfer to Reserve Fund (u/s 451C of RBI Act)	180	1000
Profit carried forward to Balance Sheet	10880	10285

OPERATION :

There is an overall turnaround in the performance of your company based on various measures taken by the management, which is reflected in the bottom line of the company. Income from generation of electricity by Wind Mill is ₹ 17.24 lacs with respect to ₹ 17.31 lacs of previous year. After depreciation and tax, the company has been able to generate a profit of ₹ 8.75 lacs.

DIVIDEND :

In order to consolidate the position of the company, Directors do not recommend any Dividend for the year ended 31st March, 2011.

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

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

PARTICULARS OF EMPLOYEES

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. That in the preparation of the Company's Annual Accounts, the applicable Accounting Standards have been followed and there is no material departure from the same.
2. That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
4. That the Directors have prepared the Annual Accounts on a going concern basis.

J. J. FINANCE CORPORATION LTD.

DISCLOSURE PURSUANT TO LISTING AGREEMENT

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

DEMATERIALISATION OF SHARES

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

DIRECTORS

Mr. Anil Jhunjhunwala and Mr. Manoj Mehta, Directors retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

DEPOSITS

The amount of Public Deposits with the company as on 31.03.2011 stood "NIL".

AUDITORS

M/s. Chaturvedi & Partners, Chartered Accountants, Auditors of the Company will retire at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. They have furnished a certificate to the effect that their re-appointment, if made will be in accordance with the limits specified in section 224(1B) of the Companies Act, 1956. The Board recommends their re-appointment as statutory auditors of the company for the year 2011 - 2012.

ACKNOWLEDGEMENT

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

For and on behalf of the Board

Place : Kolkata
Date : 15.07.2011

Anil Jhunjhunwala
S. P. Mukherjee

Directors

ANNEXTURE "A" TO THE DIRECTORS' REPORT

Information regarding Listed Securities as required under the Listing Agreement.

	Name and Address of the Stock Exchange	Security Listed	Code
1.	The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata - 700 001	Equity Shares	20076
2.	The Stock Exchange, Mumbai Floor - 25, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001	Equity Shares	523062
3.	Delhi Stock Exchange Limited 'DSE House', 3/1, Asaf Ali Road New Delhi - 110002	Equity Shares	5449

The Listing fees to those Stock Exchanges for the Financial Year 2011-2012 have been paid.

COMPLIANCE CERTIFICATE

Registration No. : 21 - 035092
Authorised Capital : Rs. 6,00,00,000.00
Paid-up Capital : Rs. 2,82,00,000.00

To
The Members,
J J Finance Corporation Ltd.
71, Park Street, 3rd Floor
Kolkata - 700 016

I have examined the registers, records, books and papers of M/s J J Finance Corporation Ltd. (the 'Company') as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011 (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company had duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company being a public limited company, the provisions of section 3(1)(ii) of the Act are not applicable.
4. The Board of Directors duly met 5 (five) times respectively on 12.05.2010, 05.07.2010, 12.08.2010, 11.11.2010 and 10.02.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the minutes book maintained for the purpose. No circular resolutions were passed during the financial year.
5. The Company had closed its Register of Members from 20.08.2010 to 25.08.2010 (both days inclusive) as per Section 154 of the Act.
6. The Annual General Meeting for the financial year ended 31.03.2010 was held on 25.08.2010 and after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to in section 295 of the Act.
9. The Company has not entered into any contract falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there was no instance falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has issued duplicate share certificates during the financial year.
13.
 - i) There were transfer/transmission of securities during the financial year.
 - ii) As no dividend was declared during the financial year, the Company has not deposited any amount in a separate Bank Account.

- (iii) As no dividend was declared during the financial year, the Company has not posted warrants to any member of the Company
 - (iv) There is no amount in unclaimed/unpaid dividend account and no application money due for refund; matured deposits; matured debentures and interest accrued thereon
 - (v) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional directors, Alternate directors, and directors to fill casual vacancy during the financial year.
 15. The Company has not appointed any Managing Director/Whole-time Director/Manager during the financial year
 16. The Company has not appointed any sole selling agents during the financial year.
 17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
 18. The directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
 19. The Company has not issued any shares/securities during the financial year
 20. The Company has not bought back any shares during the financial year.
 21. There was no redemption of preference shares or debentures during the financial year
 22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
 24. The Company has not made any borrowings during the financial year ended 31.03.2011.
 25. The Company has not made loans and investments, or given guarantees or provided securities to other bodies corporate in contradiction with the provisions of the Act.
 26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
 27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
 28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
 29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
 30. The Company has not altered its Articles of Association during the financial year.
 31. There was no prosecution initiated against or show cause notices received by the Company, during the financial year, for offences under the Act.
 32. The Company has not received any money as security from its employees during the financial year.
 33. The Company was not required to deduct any contribution towards provident Fund during the financial year.

Place - Kolkata
Date - 15th day of July, 2011

ASHISH BUBNA
Company Secretary
C.P. No. 3569

A M BUBNA & ASSOCIATES
Company Secretaries

Ground Floor
105 Cotton Street
Kolkata - 700 007 (W.B.)

J J Finance Corporation Ltd.

Annexure A

Sl.	Registers as maintained by the Company	
1	Register of Transfers/Transmission/Sub-division	Under section 108
2	Register of Members	Under section 150
3	Minute books for minutes of proceedings of General Meetings and of Board meetings	Under section 193
4	Books of Accounts	Under section 209
5	Register of Directors	Under section 303
6	Register of Contracts in which Directors are interested	Under section 301
7	Register of Director's Shareholding	Under section 307
8	Register of Directors attendance at the meeting of the Board	Under regulation 71 of Table A to Schedule 1 of the Act
9	Register of Fixed Assets	As required under the Companies (Auditors Report) Order, 2003.

Annexure B

Forms and Returns as filed by the Company with Registrar of Companies / Regional Director / Central Government or other authorities during the Financial Year ended 31st March, 2011

Sl.	Form No./ Return	Filed under section	For	Date of E-filing	Whether filed within Prescribed time? Yes/No	If delay in filing, whether requisite additional fee paid? Yes/No.
1	Form 66 (Compliance Certificate)	383A	Financial Year 2009-2010	28-Sep-2010	Yes	N.A.
2	Form 23AC (Balance Sheet) and Form 23ACA (Profit & Loss A/C)	220	Year Ended 31st March 2010	05-Oct-2010	Yes	N.A.
3	Form 20B (Annual Return)	159	AGM held on 25-Sep-2010	22-Nov-2010	Yes	N.A.

Place - Kolkata
Date - 15th day of July, 2011

ASHISH BUBNA
Company Secretary
C.P. No. 3568

J. J. FINANCE CORPORATION LTD.

AUDITORS' REPORT

To,
The Members
J. J. Finance Corporation Limited

We have audited the attached Balance Sheet of J. J. Finance Corporation Limited as at 31st March 2011 and the Profit & Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors' Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of 'The Companies Act, 1956' (the Act) we enclose in the annexure a statement on the matter specified in paragraphs 4 and 5 of the said Order.
3. Further to our comment in annexure referred to in paragraph 2 above, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books.
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of Account.
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e) In our opinion and based on information and explanations given to us, none of the directors are disqualified as on March 31, 2011 from being appointed as director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, subject to note E of schedule 'N' regarding pending confirmation & reconciliation, read together with the Significant Account Policies and Other Notes on Accounts in Schedule 'N', give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view, in conformity with the accounting principles generally accepted in India:
 - (i) in so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March 2011.
 - (ii) in so far as it relates to the Profit & Loss Account, of the Profit of the Company for the year ended on that date; and
 - (iii) in so far as it relates to the Cash Flow Statement, of the Cash Flow of the Company for the year ended on that date.

For CHATURVEDI & PARTNERS
Chartered Accountants
F.R.NO. 307068E

Place - Kolkata
Dated - 15.07.2011

CA. A. K. DUBEY
Partner
Membership No. 054975

J. J. FINANCE CORPORATION LTD.

ANNEXURE TO THE AUDITORS' REPORT

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

1. In respect of its fixed assets :
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information
 - b) As explained to us, the fixed assets have been verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) In our opinion, the Company has not disposed of substantial part of fixed assets during the period and the going concern status of the Company is not affected.
2.
 - a) The inventories have been physically verified during the year by the management at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
 - c) On the basis of our examination, we are of the opinion that the Company is maintaining proper records of inventory. No material discrepancies were noticed on verification between the physical stocks and the book records.
3. 1. The Company has given loan to two Companies covered in the Register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 80.25 lacs and the year end aggregate balance was nil.

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

As informed, the fresh loans granted by the company are repayable on demand, hence the question of payment of principal amount does not arise. However, the party has been regular in payment of interest.

There are no overdue loans granted to company listed in the register maintained under section 301 of the Companies Act, 1956.
3. 2. The Company has not taken any loan from any Company listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the sale and Purchase of stock and investments. During the course of audit, we have not observed any major weaknesses in internal controls system.
5.
 - a) The particular of contracts or arrangement referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
 - b) The Company has not entered into transactions in pursuance of contracts / arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year.
6. The Company has not accepted any deposits from public.
7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. We have been informed that the Central Government has not prescribed the maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956 for any of the product of the Company.

J. J. FINANCE CORPORATION LTD.

ii. In respect of statutory dues :

- a) The undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been regularly deposited with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid dues were outstanding as on 31st March, 2011 for a period of more than six months from the date of becoming payable.
 - b) There are no dues outstanding of income tax, sales tax, wealth tax, custom duty, service tax, excise duty and cess on account of any dispute.
10. The Company has no accumulated losses as at 31st March, 2011. The Company has not incurred any cash loss during the year under audit and in the immediate preceding financial year.
 11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
 12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
 13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund society therefore, clause 4(xiii) of Companies (Auditors' Report) Order, 2003 (as amended) is not applicable to the company.
 14. The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the Company in its own name.
 15. The Company has not given any guarantee for loans taken by others from bank or financial institutions.
 16. The Company has not raised any new terms loans during the year, and hence the question of their application for intended purpose, does not arise.
 17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds was raised on short-term basis which have been used for long term investment.
 18. During the year, the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
 19. According to the information and explanations given to us, during the period covered by our Audit Report, the company has not issued debentures.
 20. The company has not raised any money by way of public issue during the year under audit.
 21. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year under audit that causes the financial statement to be materially misstated.

For CHATURVEDI & PARTNERS
Chartered Accountants
F.R.NO. 307068E

CA. A. K. DUBEY
Partner
Membership No. 054975

Place - Kolkata
Dated - 15.07.2011.

J. J. FINANCE CORPORATION LTD.

BALANCE SHEET AS AT 31ST MARCH 2011

	SCHEDULE	<u>31.03.2011</u>	<u>31.03.2010</u>
SOURCES OF FUNDS:		₹	₹
SHAREHOLDERS FUNDS:			
a) Capital	A	28,200,000	28,200,000
b) Reserves & Surplus	B	11,343,829	10,469,286
Deferred Tax Liability - Net (Note No. 3 of Schedule - N)		1,560,487	1,022,497
TOTAL		<u>41,104,316</u>	<u>40,591,773</u>
APPLICATIONS OF FUNDS:			
Fixed Assets	C		
Gross Block		23,393,964	23,393,964
Less : Depreciation		16,255,663	17,020,176
Net Block		<u>5,138,301</u>	<u>6,373,788</u>
Investments	D	27,336,211	22,416,100
Current Assets, Loans and Advances:			
a) Inventories	E	881,273	716,128
b) Sundry Debtors	F	1,115,368	252,710
c) Cash and Bank Balances	G	6,807,915	6,366,402
d) Loans and Advances	H	509,064	8,156,266
		<u>9,313,620</u>	<u>15,481,514</u>
Less : Current Liabilities and Provisions			
a) Current Liabilities		63,016	219,735
b) Provisions		600,000	4,472,900
		<u>663,016</u>	<u>4,692,635</u>
Net Current Assets		<u>8,629,604</u>	<u>11,801,879</u>
TOTAL		<u>41,104,316</u>	<u>40,591,773</u>
Notes to the Accounts	N		

(Schedules form an integral part of accounts)

As per our report of this date annexed
For CHATURVEDI & PARTNERS,
Chartered Accountants
F.R.NO. 307068E

For and on behalf of the Board

CA. A. K. DOBEY
Partner
Membership No. 054975
Place : Kolkata
Date : 15.07.2011

ANIL JHUNJHUNWALA
Director

S. P. MUKHERJEE
Director

J. J. FINANCE CORPORATION LTD.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	SCHEDULE	31.03.2011	31.03.2010
		₹	₹
INCOME:			
Income from operation	J	1,365,221	4,750,353
Electricity Generation		1,734,402	1,731,214
Sale of Shares		1,245,517	952,689
TOTAL		<u>4,345,140</u>	<u>7,434,256</u>
EXPENDITURE:			
Cost of Sale of Shares	K	1,327,728	324,906
Salary & Other Benefits to Employees	L	110,551	38,983
Administrative, Operating and Other Expenses	M	580,286	816,255
TOTAL		<u>2,018,565</u>	<u>1,179,886</u>
Profit (Before Depreciation & Tax)		2,326,575	6,254,350
Less - Depreciation		1,235,487	1,325,185
Profit Before Tax		<u>1,091,088</u>	<u>4,929,165</u>
Less / (Add)			
Current Tax		600,000	1,900,000
Deferred Tax Net - (Asset)		(382,000)	(371,440)
Income Tax for earlier year(s) (Net)		(21,455)	32,350
Profit after Tax		<u>874,543</u>	<u>3,378,255</u>
Balance brought forward from Previous year		10,284,981	7,906,726
Balance available for appropriation		<u>11,159,524</u>	<u>11,284,981</u>
Transfer to Reserve u/s 45IC of RBI Act		180,000	1,000,000
Balance Transferred to Balance Sheet		<u>10,979,524</u>	<u>10,284,981</u>
		<u>11,159,524</u>	<u>11,284,981</u>
Basic & Diluted earning per share (₹ 10/- each)		0.31	1.20
(Refer Point No. 11 of Notes on Accounts)			

Notes to the Accounts
(Schedules form an integral part of accounts)

N

As per our report of this date annexed:
For CHATURVEDI & PARTNERS
Chartered Accountants
FR.NO. 307068E

For and on behalf of the Board

CA. A. K. DUBEY
Partner
Membership No. 054975
Place : Kolkata
Date : 15.07.2011

ANIL JHUNJHUNWALA
Director

S. P. MUKHERJEE
Director

J. J. FINANCE CORPORATION LTD.

SCHEDULES A TO I & N FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

	<u>31.03.11</u>	<u>31.03.10</u>
	₹	₹
SCHEDULE 'A'		
SHARE CAPITAL		
Authorised :		
60,00,000 Equity Shares of ₹ 10/- each	<u>60,000,000</u>	<u>60,000,000</u>
Issued, subscribed and paid up :		
28,20,000 Equity Shares of ₹ 10/- each fully paid.	<u>28,200,000</u>	<u>28,200,000</u>
SCHEDULE 'B'		
RESERVES & SURPLUS		
Reserves viz 45IC of RBI Act		
Opening Balance	2,800,000	1,800,000
Add : Transferred from Profit & Loss Account	<u>180,000</u>	<u>1,000,000</u>
	2,980,000	2,800,000
Profit & Loss Account		
Opening Balance	7,669,286	5,201,031
Add : Profit for the year	<u>894,543</u>	<u>2,378,255</u>
	<u>8,563,829</u>	<u>7,579,286</u>
	<u>11,543,829</u>	<u>10,469,286</u>

J. J. FINANCE CORPORATION LTD.

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

(FIGURE IN RUPEES)

SCHEDULE C

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 31.03.11	ADDITIONS	DEDUCTIONS	AS AT 31.03.11	AS AT 31.03.11	FOR THE YEAR	DEDUCTIONS AGGRAVATED	AS AT 31.03.11	AS AT 31.03.11	AS AT 31.03.11
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
OTHER ASSETS - SPT	1,45,000	-	-	1,45,000	-	-	-	-	1,45,000	1,45,000
Machinery and Plant - Other (M)	71,98,000	-	-	71,98,000	15,40,700	1,28,200	-	17,21,200	4,48,400	6,62,600
- Other	76,000	-	-	76,000	88,800	30,217	-	1,02,115	1,11,801	2,11,114
Vehicle	88,800	-	-	88,800	16,801	24,042	-	33,207	38,400	29,870
Finance & Equip	20,000	-	-	20,000	4,773	3,000	-	8,400	4,200	7,000
Total	23,28,200			23,28,200	17,20,274	1,28,447	-	18,20,000	5,18,201	6,27,796
Previous Year	22,85,719	-	4,28,810	23,28,200	24,64,998	1,28,182	4,28,810	17,80,706	4,27,208	

J. J. FINANCE CORPORATION LTD.

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SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

SCHEDULE 'D'		31.03.11		31.03.10	
INVESTMENT (At Cost - Other than Trade - Long Term Investments)	Face Value	Units	₹	Units	₹
I) QUOTED SHARES (Fully paid up)					
Wopkin Plastics Ltd. (Formerly - Gajaj Plastics Ltd.)	10	1000	300,000	1000	300,000
Coats Industries Ltd.	10	1000	19,026	1000	19,026
Indian Hotels Ltd.	1	4600	946,241	4,600	946,241
Ambuja Cements Ltd.	2	3000	47,311	4900	106,49
The India Cements Ltd.	10	-	-	-	-
Thangaraj Textiles Ltd.	10	1000	185,925	1000	185,925
J.J. Automotive Ltd.	10	17000	177,321	17000	177,321
Prakash Drugs Co. Ltd.	10	1050	14,666	1050	14,666
Ravira Synthetics Ltd. (Formerly Raysond Synthetics Ltd.)	2	300	13,543	300	13,543
Nayara Oil Products Ltd.	10	500	21,330	500	21,330
Nageswar Investment Ltd.	10	30000	174,100	30000	174,100
Tata Steel Ltd.	10	-	-	15	4,500
Tata Steel Ltd. - CCPS	100	-	-	67	6,700
			1,391,264		1,581,139
II) MUTUAL FUND					
Krishna Flexi Debt Fund	10	898,046,169	10,000,000	898,046,169	10,000,000
LIC MF Saving Plus	10	1,019,732,195	10,000,000	983,816,792	10,000,000
			20,000,000		20,000,000
III) UNQUOTED SHARES (Fully paid up)					
J.J. Projects (P) Ltd.	10	13,128	1,64,947	13,128	1,64,947
J.J. Projects (P) Ltd. (10% Non-Cumulative Fully Convertible Preference Share)	10	39,000	450,000	39,000	450,000
Prakash Leasing & Finance (P) Ltd.	10	1,400	14,000	1,400	14,000
Krishna Stockbroking (P) Ltd.	10	10,000	100,000	10,000	100,000
KPU Estates Pvt. Ltd.	10	10,000	100,000	10,000	100,000
			834,947		834,947
Total			27,336,211		22,416,106
i) Aggregate Value of Quoted Investment (I+II)			20,501,264		21,581,139
ii) Aggregate Value of Unquoted Investment (III)			6,834,947		834,947
			27,336,211		22,416,106
iii) Market Value of Quoted Investment			26,740,406		22,738,361

J. J. FINANCE CORPORATION LTD.

SCHEDULES A TO I & N FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011

	<u>31.03.11</u>	<u>31.03.10</u>
	₹	₹
CURRENT ASSETS, LOANS AND ADVANCES:		
CURRENT ASSETS		
SCHEDULE 'E'		
INVENTORIES		
Stock of Shares	881,273	716,128
SCHEDULE 'F'		
SUNDRY DEBTORS		
Other Debts:		
Un-Secured - Considered Good	1,115,368	252,715
SCHEDULE 'G'		
CASH AND BANK BALANCES		
Cash-in-hand (as certified)	9,330	6,675
Balances With Scheduled Banks		
In Current Account	6,798,585	6,357,727
	<u>6,807,915</u>	<u>6,364,402</u>
SCHEDULE 'H'		
LOANS AND ADVANCES:		
(Unsecured, considered good)		
Loans - Bodies Corporate	-	4,783,563
Income Tax Advance	468,141	4,323,562
Fringe Benefit Tax Advance	-	6,746
Other Advances	40,923	40,375
	<u>509,064</u>	<u>9,154,246</u>
	<u>9,313,620</u>	<u>16,491,514</u>
SCHEDULE 'I'		
CURRENT LIABILITIES & PROVISIONS		
Current Liabilities:		
Sundry Creditors	53,620	78,000
Other Liabilities	30,196	139,775
	<u>83,816</u>	<u>217,775</u>
Provisions:		
Provision for Taxation	600,000	4,496,000
Provision for Fringe Benefit Tax	-	6,900
	<u>600,000</u>	<u>4,472,900</u>
	<u>683,816</u>	<u>4,689,835</u>

J. J. FINANCE CORPORATION LTD.

SCHEDULES J TO N FORMING PART OF THE PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2011

	<u>31.03.11</u>	<u>31.03.10</u>
	₹	₹
SCHEDULE 'J'		
INCOME FROM OPERATION		
Interest (Tax deducted at source)	862,234	3,699,571
₹ 85,224/- Previous year ₹ 3,59,758/-		
Security Deposit Written Back	-	1,088,021
Dividend	54,344	57,708
Profit on Sale of Long Term Investment	321,720	-
Liability no longer required written back	128,923	-
Interest on IT Refund	-	8,052
	<u>1,365,221</u>	<u>4,750,352</u>
SCHEDULE 'K'		
COST OF SALES		
Stock at Commencement	716,128	843,893
Add Purchase	1,492,873	190,843
Less Stock at Close	<u>881,273</u>	<u>716,128</u>
	<u>1,327,728</u>	<u>324,608</u>
SCHEDULE 'L'		
SALARY		
Salary, Allowances & Other Benefits	110,551	38,315
Provident Fund	-	688
	<u>110,551</u>	<u>38,983</u>
SCHEDULE 'M'		
ADMINISTRATIVE, OPERATING AND OTHER EXPENSES		
Printing and Stationery	4,554	5,322
Conveyance Charges	6,133	6,090
Advertisement Charges	12,116	6,633
Telephone Expenses	10,541	12,569
Insurance	78,002	77,239
Legal Expenses	4,000	2,750
Stipend	-	18,667
Auditor's Remuneration :		
- Audit Fee	5,515	5,515
- Tax Audit Fees	5,515	5,515
- Certification fees	<u>8,624</u>	<u>7,725</u>
Repairs And Maintenance :		
- Plant & Machinery - Wind Mill	347,512	505,672
- Others	<u>15,511</u>	<u>18,369</u>
Miscellaneous Expenses	53,937	61,136
Listing fee	<u>28,128</u>	<u>84,227</u>
	<u>580,298</u>	<u>816,295</u>

J. J. FINANCE CORPORATION LTD.

SCHEDULE 'N'

NOTES ON ACCOUNTS

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

1.1.1 The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

1.1.2 Accounting policies not specifically referred to otherwise are consistent and in accordance with generally accepted accounting principles.

1.2 INCOME & EXPENDITURE RECOGNITION :

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

1.3 EMPLOYEE BENEFITS :

Retirement benefit to employees such as Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and The Payment of Gratuity Act, 1972 are not applicable to the "company" as number of employee is below the Statutory limit as prescribed by the above Acts.

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

1.4 FIXED ASSETS :

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

1.5 DEPRECIATION :

Depreciation has been provided on assets as per straight line rates as specified in Schedule XIV of the Companies Act, 1956.

1.6 INVESTMENT :

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

1.7 INVENTORIES :

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

1.8 TAXES ON INCOME :

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

J. J. FINANCE CORPORATION LTD.

2. The Company has followed the prudential norms for income recognition and provisioning against non performing assets as prescribed by the Reserve Bank of India for Non Banking Financial Companies.
3. Deferred Tax Liability for timing difference in depreciation arising due to differences in net value of depreciable capital assets as per books vis-a-vis written down value as per Income Tax. The Deferred Tax Liability of the Company to the extent recognized and outstanding as at 31st March, 2011 is ₹ 1560487/- (Previous Year ₹ 1922467/-)
4. a) There are no Small Scale Industrial undertaking to whom the company owes any sum which is outstanding for more than 30 days as on 31.03.2011.
b) The Company has not received any information from its suppliers regarding registration Under "The Micro, Small and Medium Enterprises Development Act, 2006". Hence, the information required to be given in accordance with Section 22 of the said Act, is not ascertainable and not disclosed.
5. The Provisions of the Payment of Gratuity Act, 1972, the Employees Provident Funds & Miscellaneous Provision Act, 1952 and Employees State Insurance Act, 1948 are not applicable to the Company.
6. Some of the debit & credit balances are pending for confirmation / reconciliation, and impact of the same on the account if any, is unascertained.
7. Information pursuant to the provisions of paragraph 3 of Part II of Schedule VI of the Companies Act, 1956 for wind power project.

	Year ended 31.03.11	Year ended 31.03.10
Installed capacity of Electricity Generation	1200 KW	1250 KW

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

<u>Opening Stock</u>		<u>Generation</u>		<u>Sales</u>		<u>Closing Stock</u>	
Qty. KW	Value ₹	Qty. KW	Value ₹	Qty. KW	Value ₹	Qty. KW	Value ₹
-	-	643.58	17.36	642.85	17.34	-	-
		(642.90)	(17.33)	(642.02)	(17.31)	(-)	(-)

Note:

- (i) Out of the total generation, 0.73 KW. (previous year 0.88 KW) is adjusted against power import.
- (ii) Previous year figures are given in parenthesis ().

J. J. FINANCE CORPORATION LTD.

B. Segment Reporting

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

Sl. No.	Particulars	31.03.2011 (₹ in lakhs)	31.03.2010 (₹ in lakhs)
1.	Segment Revenue		
	i) Finance Business	26.11	57.13
	ii) Electricity Generation	17.34	17.31
	Net Sales / Income from Operations	43.45	74.44
2.	Segment Results		
	Profit before Tax & interest from each segment		
	i) Finance Business	9.43	49.60
	ii) Electricity Generation	1.48	(0.20)
	Profit before Tax	10.91	49.40
3.	Capital Employed (Segment Assets Less Segment Liabilities)		
	i) Finance Business	351.82	343.60
	ii) Electricity Generation	59.22	62.32
	Total	411.04	405.92

9. Related Party Disclosures

A. Key Management Personnel

Mr. Anil Jhunjhurwala Director

B. Details of transactions with persons referred to item A above is NIL.

C. Associate Company

Loan Given :	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Opening Balance	<u>₹ / Lacs</u>	<u>₹ / Lacs</u>	<u>₹ / Lacs</u>
J.J. Automotive Limited	17.75	30.09	47.84
Addition / Accrued during the year			
J.J. Automotive Limited	151.50	3.37	154.87
Refund / Repaid during the year			
J.J. Automotive Limited	178.25	33.46	211.71
Closing Balance			
J.J. Automotive Limited	NIL	NIL	NIL

J. J. FINANCE CORPORATION LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	2010 - 2011	2009 - 2010
	₹	₹
10.		
A. CASH FLOW FROM OPERATING ACTIVITIES :		
a. Net profit before Tax and Extraordinary items	1,091,058	4,939,165
Adjustments for :		
1. Depreciation	<u>1,235,487</u>	<u>1,325,185</u>
b. Operating Profit before Working Capital changes	2,326,575	6,264,350
Adjustments for :		
1. Trade and other Receivables	(863,198)	(253,890)
2. Trade Payables	(132,919)	(916,144)
3. Inventories	<u>(105,145)</u>	<u>127,785</u>
c. Cash generated from Operations	1,165,313	5,222,081
Advance Tax Paid	<u>(587,258)</u>	<u>(1,373,291)</u>
d. Cash Flow before Extraordinary Items	578,055	3,848,790
Extraordinary Items	-	-
Net Cash Flow(used in) from Operating Activities	578,055	3,848,790
B. CASH OUT FLOW IN INVESTMENT ACTIVITIES :		
Purchase of Investments	(4,920,105)	(20,456,000)
Net Cash flow from Investing Activities	(4,920,105)	(20,456,000)
C. CASH IN FLOW FROM FINANCING ACTIVITIES :		
Short Term Loan Refunded	<u>4,783,563</u>	<u>12,232,934</u>
Net Cash used in Financing Activities	4,783,563	12,232,934
Net increase/(decrease) in Cash and Cash Equivalents	441,513	(4,374,278)
Cash and Cash Equivalents (Opening Balance)	<u>6,366,402</u>	<u>10,740,878</u>
Cash and Cash Equivalents (Closing Balance)	<u><u>6,807,915</u></u>	<u><u>6,366,402</u></u>

J. J. FINANCE CORPORATION LTD.

Notes :

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

	₹	₹
a) Cash in Hand	9,330	8,675
b) Balances with Bank	<u>6,798,585</u>	<u>6,357,727</u>
	<u>6,807,915</u>	<u>6,366,402</u>

11. Basic and Diluted Earning Per Share:

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

	For the year Ended 31.03.2011	For the year Ended 31.03.2010
Particulars		
a) Net Profit after Tax (₹) available for Equity Shares of ₹ 10/- each.	874,543	3,378,255
b) Number of Equity Shares of ₹ 10/- each	28,20,000	28,20,000
c) Basic and Diluted Earning Per Share (a / b) (in ₹)	0.31	1.20

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

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

Signatures to Schedule 'A' to 'W'

As per our report of this date annexed
For CHATURVEDI & PARTNERS
Chartered Accountants
F.R. NO. 307068E

For and on behalf of the Board

CA. A. K. DUBEY
Partner
Membership No. 054975
Place : Kolkata
Date : 15.07.2011

ANIL JHUNJHUNWALA
Director

S. P. MUKHERJEE
Director

