



31st
ANNUAL REPORT
2013 - 2014

J. J. FINANCE CORPORATION LTD.



J. J. FINANCE CORPORATION LIMITED

31st Annual Report 2013-14

| | | |
|-----------------------------|---|--|
| BOARD OF DIRECTORS | : | MR. ANIL JHUNJHUNWALA MR. RAJESH PODDAR MR. SHYAM BAGARIA MR. S.P. MUKHERJEE MR. AMIT BHALOTIA |
| REGISTERED OFFICE | : | 3C, PARK PLAZA 71, PARK STREET, KOLKATA – 700016 |
| BANKER | : | INDIAN OVERSEAS BANK |
| AUDITORS | : | CHATURVEDI & PARTNERS <i>Chartered Accountants</i> 1/1, MEREDITH STREET, KOLKATA - 700072 |
| SHARE TRANSFER AGENT | : | M/S. NICHE TECHNOLOGIES PVT. LTD. D-511, BAGREE MARKET 71, B.R.B. BASU ROAD KOLKATA – 700001 |
| LEGAL ADVISORS | : | R. L. GAGGAR & CO. |



DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the Thirty First (31st) Annual Report and the Audited Accounts on the business and operations of your company for the year ended March 31, 2014.

FINANCIAL RESULTS

| Particulars | ₹ in lacs | |
|---|-------------------------------|-------------|
| | For the year ended 31st March | |
| | 2014 | 2013 |
| Profit Before Depreciation | 2121 | 3009 |
| Less : Depreciation | 1241 | 1241 |
| Profit Before Tax | 880 | 1768 |
| Current Tax | 175 | 510 |
| Deferred Tax | (347) | (316) |
| Profit After Tax | 1052 | 1574 |
| Add : Balance brought forward from last year | 11385 | 10116 |
| Provision towards Standard Assets (Reversed) | – | 25 |
| Less : Transferred to Reserve u/s. 45-IC of RBI Act, 1934 | 250 | 330 |
| Balance carried forward | 12187 | 11385 |

DIVIDEND

In order to strengthen the liquidity position of the Company; your directors do not recommend any dividend for the year ended 31st March, 2014.

STRATEGY

The management of your company has decided to recuperate the position of the company by cumulating the internal accruals of the company which can again be utilized for the generation of revenue and also by curtailing its expenditure through cost optimization and effectiveness. The management will also focus on the productivity of wind mill located at Kaithar, Tamil Naidu which has seen frequent breakdown in the recent past causing low productivity.

ORGANIZATIONAL CHANGES & BOARD OF DIRECTORS

Your directors have pleasure in informing to have formed a strong and stable Board. There were no changes in the form of appointment/ resignation in the Board of Directors of the company during the year.

As per the provisions of the Companies Act, 2013, Mr. Shyam Bagaria and Mr. S.P. Mukherjee will retire in the ensuing AGM and being eligible, Mr. Shyam Bagaria seeks re-appointment. The Board of Directors recommends his re-appointment. Mr. S. P. Mukherjee has shown his unwillingness for re-appointment. The Company will always be indebted to the guidance and support received from Mr. S.P. Mukherjee and the company wishes him a pleasant life ahead.

HUMAN RESOURCES MANAGEMENT

We firmly believe that employee motivation, development and engagement are key aspects of good human resources



management. We always appreciate the point of view of our employees in respect to their views and feedbacks related to the business. We always take employees as the biggest asset of the company and firmly believe that rewarding and recognizing consistent superior performance is essential to build a stronger company.

PARTICULARS OF EMPLOYEES

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

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.

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217 (2AA) OF THE COMPANIES ACT, 1956

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 judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for 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.

DISCLOSURE PURSUANT TO LISTING AGREEMENT

Necessary disclosures pursuant to listing agreement are made in Annexure "A" to this report.

DEPOSITS

The amount of Public Deposits with the company as on 31.03.2014 stood "NIL".

COST AUDITORS

Pursuant to the provisions of Section 233B of the Companies Act, 1956 and with the prior approval of the Central government, M/s. Basu, Banerjee, Chakraborty, Chattopadhyay & Co., Cost Accountants, were appointed to conduct the audit of cost records of the company for the year ended March 31, 2014. The Cost Audit reports would be submitted to the Central Government within the prescribed time. As per the requirement the details of the Cost Auditor is appended as follows :

Name : Basu Banerjee Chakraborty Chattopadhyay & Co.
PAN : AAIFB8055A
Mem. No. : 000206
Address : 42-B, Shibatala Street, Uttarpara, Dist: Hooghly, Uttarpara - 712258, West Bengal
E-Mail : bbc_Chatterjee@rediffmail.com

**AUDITORS**

The Auditors, M/s. Chaturvedi & Partners, Chartered Accountants, retire at the ensuing AGM and have confirmed their eligibility and willingness to accept office, if re-appointment. Your directors recommend their re-appointment as statutory auditors of the company for the year 2014-15.

ACKNOWLEDGMENTS

We thank our customers, investors, bankers, for their perennial support during the year. We place on record our appreciation of the contribution made by our employees at all levels.

Registered Office :

3C, Park Plaza, 3rd Floor

71, Park Street, Kolkata – 700 016

Dated : 13th May, 2014

By Order of the Board of Directors
for J J Finance Corporation Limited

Anil Jhunjunwala
Director

S. P. Mukherjee
Director

ANNEXURE "A" TO THE DIRECTORS REPORT

Information regarding listed securities as required under the Listing Agreement.

| <u>Name and Address of the Stock Exchange</u> | <u>Security Listed</u> | <u>Code</u> |
|---|------------------------|-------------|
| 1. The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata – 700001 | 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 2014-15 have been paid.



COMPLIANCE CERTIFICATE

CIN : L65921WB1982PLC035092
Authorised Capital : ₹ 6,00,00,000.00
Paid-up Capital : ₹ 2,82,00,000.00

To
The Members,
JJ Finance Corporation Ltd.
"3C-Park Plaza", 71, Park Street
Kolkata – 700 016

I have examined the registers, records, books and papers of *M/s JJ 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, 2014 (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)(iii) of the Act are not applicable.
4. The Board of Directors duly met 4 (Four) times respectively on 27.05.2013, 09.08.2013, 07.11.2013 and 11.02.2014 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 20.07.2013 to 27.07.2013 (both days inclusive) as per Section 154 of the Act.
6. The Annual General Meeting for the financial year ended 31.03.2013 was held on 27.07.2013 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 not issued any duplicate certificates during the financial year.
13. (i) The Company has delivered all the Certificates on lodgment thereof for transfer in accordance with the provisions of the Act; there was no allotment/ transmission of securities during the financial year.
(ii) The Company has not declared any dividend during the previous year.
(iii) The Company has no outstanding balance in unclaimed/unpaid dividend account; application money due for refund; matured deposits; matured debentures and interest accrued thereon, so it was not required to transfer any money to Investor Education and Protection Fund.
(iv) 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.
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 31.03.2014.
25. The Company has not made loans and investments, or given guarantees or provided securities to other bodies corporate in accordance 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. Since the Company is not covered under the provisions of the PF Act, it was not required to deposit any amount towards the Provident Fund.

Place : Kolkata

Date : 13th day of May, 2014

ASHISH BUBNA

Company Secretary

C.P. No.: 3569



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 I of the Act |
| 9 | Register of Fixed Assets | As required under the <i>Companies (Auditors Report) Order, 2003</i> |
| 10 | Register of Renewed and Duplicate Share Certificate | |

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, 2014

| 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 2012-2013 | 31-July-2013 | Yes | N.A. |
| 2 | Form 23AC (Balance Sheet) and Form 23ACA (Profit & Loss A/c) | 220 | Year Ended 31st March 2013 | 26-Aug-2013 | Yes | N.A. |
| 3 | Form 20B (Annual Return) | 159 | AGM held on 27-July-2013 | 13-Sep-2013 | Yes | N.A. |
| 4. | Form No.23C | 233B | Year Ended 31st. March, 2014 | 10-Oct-2013 | Yes | N.A |

Place : Kolkata
Date : 13th day of May, 2014

ASHISH BUBNA
Company Secretary
C.P. No.: 3569



INDEPENDENT AUDITORS' REPORT

To the Members of J J Finance Corporation Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **J J Finance Corporation Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and 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

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). The responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the 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 disclosures in the financial statements. 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. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 :

- (a) in the case of the Balance Sheet, of the State of affairs of the Company as at March 31, 2014
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date
- (c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.



2. As required by Section 227(3) of the Act, we report that :
- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred in sub section (3C) of section 211 of the act.
 - (e) on the basis of written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
 - (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956, nor has it issued any Rules under the said section prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For CHATURVEDI & PARTNERS

Chartered Accountants

Firm Reg No. 307068E

CAA. K. DUBEY

Partner

Membership No. 054975

Place : Kolkata

Dated : May 13, 2014



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 showings 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 one company covered in the Register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹100.00 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 gives 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 entered into transactions made in pursuance of such contracts / arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
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 prescribed the maintenance of Cost Records under Section 209 (1) (d) of the companies Act, 1956 for any of the product of the Company.



9. In respect of statutory dues
- a) The undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other statutory dues have been regularly deposited with the appropriate authorities, No undisputed amounts payable in respect of the aforesaid dues were outstanding as on 31st March, 2014 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, 2014. 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

Firm Reg No. 307068E

CAA. K. DUBEY

Partner

Membership No. 054975

Place : Kolkata

Dated : May 13, 2014

**BALANCE SHEET AS AT 31ST MARCH, 2014**

| Particulars | Note No. | As at 31st March, 2014 ₹ | As at 31st March, 2013 ₹ |
|--------------------------------------|----------|--------------------------------|--------------------------------|
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholders' fund : | | | |
| (a) Share Capital | 3.1 | 28200000 | 28200000 |
| (b) Reserves and Surplus | 3.2 | 16247281 | 15195063 |
| | | 44447281 | 43395063 |
| (2) Non-Current Liabilities : | | | |
| (a) Deferred Tax Liabilities (Net) | 3.3 | 545419 | 892496 |
| (3) Current Liabilities : | | | |
| (a) Trade Payables | 3.4 | 186404 | 64860 |
| | | 186404 | 64860 |
| Total | | 45179104 | 44352419 |
| II. ASSETS | | | |
| (1) Non Current Assets : | | | |
| (a) Fixed Assets | | | |
| Tangible Assets | 3.5 | 1901718 | 3143233 |
| (b) Non current Investment | 3.6 | 30065029 | 28551011 |
| (c) Long-term loans and advances | 3.7 | 156517 | 144689 |
| | | 32123264 | 31838933 |
| (2) Current Assets : | | | |
| (a) Inventories | 3.8 | 872747 | 832298 |
| (b) Trade Receivable | 3.9 | - | 1337200 |
| (c) Cash and Bank Balances | 3.10 | 10339199 | 10202101 |
| (d) Short term loans and advances | 3.11 | 1808037 | 108236 |
| (e) Other current assets | 3.12 | 35857 | 33651 |
| | | 13055840 | 12513486 |
| Total | | 45179104 | 44352419 |
| SIGNIFICANT ACCOUNTING POLICIES | 2 | | |
| NOTES ON ACCOUNTS | 3 | | |

The accompanying significant accounting policies and notes to accounts are an integral part of the Financial Statements.

As per our report of even date attached

For **CHATURVEDI & PARTNERS**

Chartered Accountants

(Firm Regn. No. 307068E)

For and on behalf of the Board of Directors

CA A. K. DUBEY

Partner

(Mem. No. 054975)

Place : Kolkata

Date : 13th May, 2014

ANIL JHUNJHUNWALA

Director

S. P. MUKHERJEE

Director



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

| Particulars | Note No. | For the Year ended 31st March, 2014 ₹ | For the Year ended 31st March, 2013 ₹ |
|--|----------|--|--|
| I. Revenue : | | | |
| Revenue from Operations | 3.13 | 3783571 | 4438538 |
| Other Income | 3.14 | 22874 | - |
| Total | | 3806445 | 4438538 |
| II. Expenses : | | | |
| Changes in inventories of Stock-in-trade | 3.15 | (40449) | (31048) |
| Employee benefits expense | 3.16 | 544205 | 362860 |
| Depreciation and amortization expense | 3.5 | 1241515 | 1241521 |
| Other expense | 3.17 | 1181033 | 1097405 |
| Total | | 2926304 | 2670738 |
| III. Profit before tax (I - II) | | 880141 | 1767800 |
| IV. Tax expense : | | | |
| (1) Current Tax | | 175000 | 510000 |
| (2) Deferred Tax | | (347077) | (315928) |
| V. Profit/(Loss) for the year (III - IV) | | 1052218 | 1573728 |
| VI. Earnings per equity share - Basic and Diluted (Face Value per share ₹10/-) | | 0.37 | 0.56 |
| SIGNIFICANT ACCOUNTING POLICIES | 2 | | |
| NOTES ON ACCOUNTS | 3 | | |

The accompanying significant accounting policies and notes to accounts are an integral part of the Financial Statements.

As per our report of even date attached
For **CHATURVEDI & PARTNERS**
Chartered Accountants
(Firm Regn. No. 307068E)

For and on behalf of the Board of Directors

CA A. K. DUBEY
Partner
(Mem. No. 054975)
Place : Kolkata
Date : 13th May, 2014

ANIL JHUNJHUNWALA
Director

S. P. MUKHERJEE
Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

| | 2013-2014 | | 2012-2013 | |
|---|------------------|------------------|------------|------------|
| | ₹ | ₹ | ₹ | ₹ |
| A. CASH FLOW FROM OPERATING ACTIVITY | | | | |
| Net Profit before Tax and Extraordinary items | 880141 | | 1767800 | |
| <i>Adjusted for :</i> | | | | |
| Loss on Sale of Fixed Asset | – | | 15,255 | |
| Depreciation | 1241515 | | 1241521 | |
| Operating Profit before Working Capital Changes | 2121656 | | 3024576 | |
| <i>Adjusted for :</i> | | | | |
| Trade and Other Receivables | 1334994 | | (75493) | |
| Inventories | (40449) | | (31048) | |
| Trade and other Payables | 121544 | | (234636) | |
| Direct Taxes paid (net of refund) | (186828) | | (606921) | |
| Cash Flow before extraordinary items | | 3350917 | | 2076478 |
| Extraordinary Items | | – | | – |
| Cash Generated from Operating Activities | | 3350917 | | 2076478 |
| Net Cash from Operation | | 3350917 | | 2076478 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of Fixed Assets | – | | (663224) | |
| Sale of Fixed Assets | – | | 230000 | |
| Purchase of Investment | (8800000) | | (16314900) | |
| Sale of Investment | 7285982 | | 5000000 | |
| Net Cash used in Investing Activity | | (1514018) | | (11748124) |



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

| | 2013-2014 | | 2012-2013 | |
|---|-----------|-----------------|-----------|-----------------|
| | ₹ | ₹ | ₹ | ₹ |
| C CASH FLOW FROM FINANCIAL ACTIVITIES | | | | |
| Loans and Advances | (1699801) | | 9780546 | |
| Net Cash used in Financing Activities | | (1699801) | | 9780546 |
| Net Increase in Cash and Cash Equivalents (A+B+C) | | 137098 | | 108900 |
| Opening Balance of Cash and Cash Equivalents | | 10202101 | | 10093201 |
| Closing Balance of Cash and Cash Equivalents | | 10339199 | | 10202101 |

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) Figures in brackets represent outflow.

iii) Cash & Cash Equivalent at the end of the year consists of :

a) Cash in Hand

8742

48481

b) Balances with Bank

10330457

10153620

Closing Balance of Cash and Cash Equivalents

10339199

10202101

As per our report of even date attached

For **CHATURVEDI & PARTNERS**

Chartered Accountants

(Firm Regn. No. 307068E)

For and on behalf of the Board of Directors

CA A. K. DUBEY

Partner

(Mem. No. 054975)

Place : Kolkata

Date : 13th May, 2014

ANIL JHUNJHUNWALA

Director

S. P. MUKHERJEE

Director

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014****1. CORPORATE INFORMATION**

J J Finance Corporation Ltd is a company incorporated in India and regulated by Reserve Bank of India (RBI) as a Non-Deposit Accepting or Holding Non Banking Financial Company (NBFC) engaged in the business of Finance and Generation of Electricity through Wind Power Mill.

2. SIGNIFICANT ACCOUNTING POLICIES**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS :**

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. These financial statements comply in all material aspects with the Accounting Standards (Rules) notified under the companies (Accounting Standard) Rules, 2006 (as amended), to the extent applicable and the terms of “Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007” issued by Reserve Bank of India.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956.

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

2.2 USE OF ESTIMATES :

The preparation of financial statements in conformity with the GAAP requires estimates and assumptions to be made that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about the assumptions and estimates could result in outcomes different from the estimates. Different between actual results and estimates are recognized in the period in which the results are known or materialize.

2.3 TANGIBLE FIXED ASSETS :

Fixed assets are stated at cost, net of accumulated depreciation. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

2.4 DEPRECIATION ON TANGIBLE FIXED ASSETS :

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. The company has used the following rates to provide depreciation on its fixed assets.

| | <u>Rates (SLM)</u> |
|------------------------|--------------------|
| Plant and equipments | 5.28% |
| Furniture and fixtures | 6.33% |
| Vehicles | 9.50% |

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)****2.5 INVESTMENT:**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

2.6 INVENTORIES:

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

2.7 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.

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

2.8 RETIREMENT AND OTHER 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.

2.9 TAXES ON INCOME:

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is recognized on timing differences, being the difference between taxable income and accounting income that originate in the one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized only if there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset will be realized. Such assets are reviewed as at Balance Sheet date to reassess realizability thereof. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.



NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

2.10 EARNINGS PER SHARE (EPS) :

Basic EPS is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

2.11 PROVISIONS :

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

2.12 CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognized nor disclosed in the financial statements.

2.13 CASH AND CASH EQUIVALENTS :

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

| | As at 31.03.2014 ₹ | As at 31.03.2013 ₹ |
|---|--------------------------|--------------------------|
| 3.1 SHARE CAPITAL | | |
| (i) Authorised | | |
| 60,00,000 (P.Y. 60,00,000) Equity Shares of ₹10 each | 60000000 | 60000000 |
| | <u>60000000</u> | <u>60000000</u> |
| (ii) Issued, Subscribed and Fully Paid-up | | |
| 28,20,000 (P.Y. 28,20,000) Equity Shares of ₹ 10 each | 28200000 | 28200000 |
| | <u>28200000</u> | <u>28200000</u> |

(iii) **The reconciliation of the number and amount of equity shares outstanding**

| Equity Shares | As at 31.03.2014 | | As at 31.03.2013 | |
|------------------------------------|------------------|-----------------|------------------|----------|
| | No. of Shares | ₹ | No. of Shares | ₹ |
| Opening Balance | 2820000 | 28200000 | 2820000 | 28200000 |
| Add: Shares issued during the year | - | - | - | - |
| Closing Balance | <u>2820000</u> | <u>28200000</u> | 2820000 | 28200000 |

(iv) **Terms / Rights and restrictions attached to Equity Shares :**

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing AGM except in the case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

(vi) **Shareholders holding more than 5 % shares in the company**

| Name of Share holders (Equity Shares of ₹ 10 each fully paid up) | As at 31.03.2014 | | As at 31.03.2013 | |
|---|------------------|--------|------------------|--------|
| | No. of Shares | % held | No. of Shares | % held |
| Asharam Sarda | 245000 | 8.69 | 245000 | 8.69 |
| Abhinav Agarwal | 155000 | 5.50 | 155000 | 5.50 |
| J J Projects P Ltd | 549729 | 19.49 | 620729 | 22.01 |
| Kanaklata Jhunhunwala | 142000 | 5.03 | 142000 | 5.03 |



NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

| | As at 31.03.2014 ₹ | As at 31.03.2013 ₹ |
|---|---------------------------------|--------------------------|
| 3.2 RESERVES AND SURPLUS | | |
| (i) Special Reserve u/s 45-IC of RBI Act, 1934 | | |
| Opening Balance | 3810000 | 3480000 |
| Add: Transferred from Surplus in the Statement of Profit & Loss | 250000 | 330000 |
| Closing Balance | 4060000 | 3810000 |
| (ii) Surplus/(deficit) in the Statement of Profit & Loss | | |
| Opening Balance | 11385063 | 10116634 |
| Add: Profit/(Loss) for the year | 1052218 | 1573728 |
| Provision towards Standard Assets reversed on recovery of assets | - | 24701 |
| Surplus available for Appropriations | 12437281 | 11715063 |
| LESS: APPROPRIATION | | |
| Transferred to Reserve u/s 45-IC of RBI Act, 1934 | 250000 | 330000 |
| Closing Balance | 12187281 | 11385063 |
| Total | 16247281 | 15195063 |
| 3.3 DEFERRED TAX LIABILITIES (NET) | | |
| Deferred Tax Liability on Depreciation and Amortisation | 545419 | 892496 |
| | 545419 | 892496 |
| 3.4 TRADE PAYABLES | | |
| Sundry creditor | 83590 | 33215 |
| Others | 102814 | 31645 |
| | 186404 | 64860 |
| 3.5 FIXED ASSETS | | |

| PARTICULARS | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|---------------------------------|-------------------|----------|--------------------------------|-------------------|------------------|-----------------|--------------------------------|------------------|-------------------|-------------------|
| | As at 01.04.13 | Addition | Deduction/ Adjust- ments | As at 31.03.14 | Upto 01.04.13 | For the Year | Deduction/ Adjust- ments | Upto 31.03.14 | As at 31.03.14 | As at 31.03.13 |
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| TANGIBLE ASSETS | | | | | | | | | | |
| Land (Freehold) | 145000 | - | - | 145000 | - | - | - | - | 145000 | 145000 |
| Plant and Machinery - Wind Mill | 21560038 | - | - | 21560038 | 19352290 | 1138370 | - | 20490660 | 10693378 | 2207748 |
| - Others | 845020 | - | - | 845020 | 675756 | 40139 | - | 715895 | 129125 | 169264 |
| Vehicles | 663224 | - | - | 663224 | 42004 | 63006 | - | 105010 | 558214 | 621220 |
| Furniture & Fixtures | 550906 | - | - | 550906 | 550905 | - | - | 550905 | 1 | 1 |
| Total | 23764188 | - | - | 23764188 | 20620955 | 1241515 | - | 21862470 | 1901718 | 3143233 |
| Previous Year | 23458964 | 663224 | 358,000 | 23764188 | 19492179 | 1241521 | 112745 | 20620955 | 3143233 | |



NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

| Particulars | Face Value | 31-03-2014 | | 31-03-2013 | |
|--|------------|------------|-----------------|------------|-----------------|
| | | Units | ₹ | Units | ₹ |
| 3.6 NON-CURRENT INVESTMENT | | | | | |
| (At Cost - Other than Trade - Long Term) | | | | | |
| i) Equity Instrument-Quoted Shares (Fully paid up) | | | | | |
| Wopolin Plastics Ltd. | 10 | 6000 | 300000 | 6000 | 300000 |
| - (Formerly : Bajaj Plastics Ltd.) | | | | | |
| Ceeta Industries Ltd. | 10 | 1000 | 19028 | 1000 | 19028 |
| Indian Hotels Ltd. | 1 | 4800 | 546241 | 4800 | 546241 |
| Ambuja Cements Ltd. | 2 | 2000 | 47311 | 2000 | 47311 |
| Thanjavur Textiles Ltd. | 10 | 1000 | 185925 | 1000 | 185925 |
| J.J. Automotive Ltd. | 10 | 17900 | 177821 | 17900 | 177821 |
| Pradeep Drugs Co. Ltd. | 10 | 1050 | 14665 | 1050 | 14665 |
| Recron Synthetics Ltd. | 2 | 500 | 13843 | 500 | 13843 |
| (Formely Raymond Synthetics Ltd.) | | | | | |
| Nageswar Investment Ltd. | 10 | 30000 | 174100 | 30000 | 174100 |
| Navcom Oil Products Ltd. | 10 | 500 | 22330 | 500 | 22330 |
| | | | 1501264 | | 1501264 |
| ii) MUTUAL FUND | | | | | |
| SBI Magnum Income Fund | 10 | 206328.191 | 5999900 | 206328.191 | 5999900 |
| L & T Short Term Income Fund - Growth | 10 | 240369.117 | 2613918 | 910369.117 | 9899900 |
| | | | 8613818 | | 15899800 |
| iii) Equity Instrument-Un-Quoted Shares (Fully paid up) | | | | | |
| J J Projects (P) Ltd. | 10 | 143153 | 620947 | 143153 | 620947 |
| Pinnacle Leasing & Finance (P) Ltd. | 10 | 1400 | 14000 | 1400 | 14000 |
| Kohinoor Stockbroking (P) Ltd. | 10 | 10000 | 100000 | 10000 | 100000 |
| Chitrakoot Properties Ltd. | 10 | 4500 | 315000 | 4500 | 315000 |
| KPJ Estates Pvt. Ltd. | 10 | 10000 | 100000 | 10000 | 100000 |
| | | | 1149947 | | 1149947 |
| iv) Preference Share- Instrument-Un-Quoted (Fully paid up) | | | | | |
| J J Automotive Limited (6% Non- Cumulative Redeemable Preference Share) | 10 | 1800000 | 18800000 | 1000000 | 10000000 |
| Total | | | 30065029 | | 28551011 |
| a) Aggregate Value of Quoted Investment(i+ii) | | | 10115082 | | 17401064 |
| b) Aggregate Value of Unquoted Investment(iii +iv) | | | 19949947 | | 11149947 |
| | | | 30065029 | | 28551011 |
| c) Market value of Quoted Investment | | | 11718527 | | 19313173 |

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)**

| | As at <u>31.03.2014</u> ₹ | As at <u>31.03.2013</u> ₹ |
|---|---------------------------------|---------------------------------|
| 3.7 LONG- TERM LOANS AND ADVANCES | | |
| Other loans and advances : | | |
| Advance tax | | |
| Opening Balance | 1904689 | 1297768 |
| Add: Paid during the year | 186828 | 606921 |
| | <u>2091517</u> | <u>1904689</u> |
| Provision for Income Tax - | | |
| Opening Balance | 1760000 | 1250000 |
| Add: Provision for the year | 175000 | 510000 |
| | <u>1935000</u> | <u>1760000</u> |
| Advance Tax (Net) | <u>156517</u> | <u>144689</u> |
| 3.8 INVENTORIES | | |
| Stock-in-Trade | 872747 | 832298 |
| | <u>872747</u> | <u>832298</u> |
| 3.9 TRADE RECEIVABLES | | |
| (Unsecured, considered good) | | |
| Outstanding for a period exceeding six months from due date | - | - |
| Others | - | 1337200 |
| | <u>-</u> | <u>1337200</u> |
| 3.10 CASH AND BANK BALANCE | | |
| Cash and Cash Equivalents | | |
| Balance with Bank - In current account | 10330457 | 10153620 |
| Cash on hand | 8742 | 48481 |
| | <u>10339199</u> | <u>10202101</u> |
| 3.11 SHORT TERM LOANS AND ADVANCES | | |
| (Unsecured, considered good) | | |
| Advances recoverable in cash or kind | | |
| Loan and advances to related parties | - | - |
| Others | 1808037 | 108236 |
| | <u>1808037</u> | <u>108236</u> |
| 3.12 OTHER CURRENT ASSETS | | |
| Prepaid Expenses | 35857 | 33651 |
| | <u>35857</u> | <u>33651</u> |



NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)

| | <u>31.03.2014</u> | <u>31.03.2013</u> |
|--|-------------------|-------------------|
| | ₹ | ₹ |
| 3.13 REVENUE FROM OPERATIONS : | | |
| (i) Operating Revenue | | |
| Interest Income | 1048278 | 1769209 |
| Profit on Sale of Long Term Investment | 1419328 | 1094782 |
| | <u>2467606</u> | <u>2863991</u> |
| (ii) Other Operating Revenue | | |
| Dividend Income | 32317 | 52928 |
| Electricity Generation | 1283648 | 1521619 |
| | <u>1315965</u> | <u>1574547</u> |
| Total | <u>3783571</u> | <u>4438538</u> |
| 3.14 OTHER INCOME | | |
| Miscellaneous Income | 22874 | - |
| | <u>22874</u> | <u>-</u> |
| 3.15 CHANGES IN INVENTORIES OF STOCK-IN-TRADE | | |
| Finished Goods | | |
| Opening Stock | 832298 | 801250 |
| Less: Closing Stock | 872747 | 832298 |
| | <u>(40,449)</u> | <u>(31048)</u> |
| 3.16 EMPLOYEE BENEFITS EXPENSE | | |
| Salaries and Wages | 537755 | 357010 |
| Staff Welfare Expenses | 6450 | 5850 |
| | <u>544205</u> | <u>362860</u> |
| 3.17 OTHER EXPENSES | | |
| Advertisement & Publicity | 16835 | 16762 |
| Bank Charges | 302 | 3792 |
| Conveyance expenses | 4950 | 30350 |
| Insurance | 94988 | 83058 |
| Legal Charges | - | 4000 |
| Listing Fees | 34270 | 34570 |
| Membership Fees | 16853 | 18539 |
| Payment to the Auditor | 17358 | 17976 |
| Printing and stationery | 9834 | 8244 |
| Professional Fees | 27926 | 27013 |
| Repairs and Maintenance (Others) | - | 21900 |
| Repairs to plant and machinery (Wind Power) | 907537 | 769364 |
| Telephone Charges | 13825 | 14870 |
| Miscellaneous Expenses | 36355 | 46967 |
| | <u>1181033</u> | <u>1097405</u> |

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (Contd.)****3.22 Basic and Diluted Earning Per Share :**

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

| Particulars | 31.03.2014 | 31.03.2013 |
|---|-------------------|-------------------|
| a) Net Profit after Tax(₹) available for Equity Shares of ₹ 10/- each | 1052218 | 1573728 |
| b) Number of Equity Shares of ₹ 10/- each | 2820000 | 2820000 |
| c) Basic and Diluted Earning Per Share (a/b) (in ₹) | 0.37 | 0.56 |

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

3.24 Financial figures have been rounded off to nearest rupees.

3.25 Schedule to the Balance Sheet as on 31st March, 2014 of a Non-Banking Financial Company is Annexed (Annexure - A)

Signature to Note

As per our report of even date attached
For **CHATURVEDI & PARTNERS**
Chartered Accountants
(Firm Regn. No. 307068E)

CA A. K. DUBEY
Partner
(Mem. No. 054975)
Place : Kolkata
Date : 13th May, 2014

For and on behalf of the Board of Directors

ANIL JHUNJHUNWALA **S. P. MUKHERJEE**
Director *Director*



ANNEXURE 'A' TO NOTE 3.25

Schedule to the Balance Sheet as on 31st March 2014 of a non-deposit taking Non-Banking Financial Company (as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

Liabilities side :

(₹ in lakh)

| | <u>Amount Outstanding</u> | <u>Amount Overdue</u> |
|--|-------------------------------|---------------------------|
| (1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid: | | |
| a) Debentures : Secured | — | — |
| : Unsecured | — | — |
| (other than falling within the meaning of public deposits*) | | |
| b) Deferred Credits | — | — |
| c) Term Loans | — | — |
| d) Inter-corporate loans and borrowing | — | — |
| e) Commercial Paper | — | — |
| f) Other Loans (specify nature) | — | — |
| * Please see Note 1 below | | |
| Total | — | — |

Assets side :

Amount outstanding

| | |
|--|--------------|
| (2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] : | |
| a) Secured | Nil |
| b) Unsecured | 18.44 |
| Total | <u>18.44</u> |
| (3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities : | |
| i) Lease assets including lease rentals under sundry debtors : | |
| a) Financial lease | Nil |
| b) Operating lease | Nil |
| ii) Stock on hire including hire charges under sundry debtors : | |
| a) Assets on hire | Nil |
| b) Repossessed Assets | Nil |
| iii) Other loans counting towards AFC activities : | |
| a) Loans where assets have been repossessed | Nil |
| b) Loans other than (a) above | Nil |
| Total | <u>Nil</u> |
| (4) Break-up of Investments : | |
| Current Investments : | |
| 1. Quoted : | |
| i) Shares : a) Equity | 8.73 |
| b) Preference | Nil |
| ii) Debentures and Bonds | Nil |
| iii) Units of Mutual Funds | Nil |
| iv) Government Securities | Nil |
| v) Others (please specify) | Nil |



| 2. <u>Unquoted :</u> | <u>Amount outstanding</u> |
|---------------------------------------|----------------------------------|
| i) Shares : a) Equity | Nil |
| b) Preference | Nil |
| ii) Debentures and Bonds | Nil |
| iii) Units of mutual funds | Nil |
| iv) Government Securities | Nil |
| v) Others (please specify) | Nil |
| <u>Long Term Investments :</u> | |
| 1. <u>Quoted :</u> | |
| i) Shares : a) Equity | 15.01 |
| b) Preference | Nil |
| ii) Debentures and Bonds | Nil |
| iii) Units of mutual funds | 86.14 |
| iv) Government Securities | Nil |
| v) Others (please specify) | Nil |
| 2. <u>Unquoted :</u> | |
| i) Shares : a) Equity | 11.50 |
| b) Preference | 188.00 |
| ii) Debentures and Bonds | Nil |
| iii) Units of mutual funds | Nil |
| iv) Government Securities | Nil |
| v) Others (please specify) | Nil |
| Total | <u>309.38</u> |

(5) **Borrower group-wise classification of assets financed as in (2) and (3) above :**

Please see Note 2 below :

| Category | Amount net of provisions | | |
|--------------------------------|---------------------------------|------------------|--------------|
| | Secured | Unsecured | Total |
| 1. Related Parties ** | Nil | Nil | Nil |
| a) Subsidiaries Nil | Nil | Nil | |
| b) Companies in the same group | Nil | Nil | Nil |
| c) Other related parties | Nil | Nil | Nil |
| 2. Other than related parties | Nil | 18.44 | 18.44 |
| Total | Nil | 18.44 | 18.44 |

**(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :**

Please see Note 3 below :

| Category | Market Value / Break up or fair value or NAV | Book Value (Net of Provisions) |
|--------------------------------|--|--------------------------------|
| 1. Related Parties ** | | |
| a) Subsidiaries | Nil | Nil |
| b) Companies in the same group | 198.29 | 197.99 |
| c) Other related parties | Nil | Nil |
| 2. Other than related parties | 128.65 | 111.39 |
| Total | 326.94 | 309.38 |

* Market Value in most of the cases being not available has been considered at book value.

(7) Other information :

| Particulars | Amount |
|--|--------|
| i) Gross Non-Performing Assets | |
| a) Related parties | Nil |
| b) Other than related parties | Nil |
| ii) Net Non-Performing Assets | |
| a) Related parties | Nil |
| b) Other than related parties | Nil |
| iii) Assets acquired in satisfaction of debt | Nil |

Notes :

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

For **CHATURVEDI & PARTNERS**Chartered Accountants
(Firm Regn. No. 307068E)**CA A. K. DUBEY**

Partner

(Mem. No. 054975)

Place : Kolkata

Date : 13th May, 2014

For and on behalf of the Board of Directors

ANIL JHUNJHUNWALA

Director

S. P. MUKHERJEE

Director

