

**ANNEXURE 'A' TO THE DIRECTOR'S REPORT**

Corporate Governance Policies and Practices followed by the Company in accordance with the provisions of Clause 49 of the Listing Agreement are given below

1. CORPORATE GOVERNANCE

The Company had always believed and followed the most transparent corporate governance practices even before the advent of clause 49 of the Listing Agreement of the Stock Exchange. Since inception we have always worked towards building a strong bond of trust with our valued Shareholders, Customers, Depositors, Dealers, Bankers and Clients for their co-operation and also for the confidence reposed in the Company on key elements of corporate governance viz., transparency, fairness, disclosure and accountability.

We believe that sound business ethics and values are at the core of success of any business organization. We have completed a period of 71 years which is possible only because of our strong belief and practice of business ethics and values and the confidence reposed in the Company by all its patrons.

The Company had not only complied with the corporate governance practices and disclosures as per the statutory and regulatory requirements, but also conveyed important and required information about the Company wherever it is felt necessary.

2. BOARD OF DIRECTORS**Composition**

The Board of the Company comprises of four independent Directors,

Board procedure:

The meetings of the Board of Directors are informed well in advance. The notice of the ensuing Meeting is sent at least seven days in advance to all the Directors and Stock Exchange. The Board Meets at least once in every quarter to review the quarterly performance and financial results of the Company.

The Board of Directors met five times on the following dates during the year 2013-2014:

30th May, 2013, 14th August, 2013, 17th September, 2013, 13th November, 2013, and 14th February, 2014.

Attendance record of Directors:

Composition of Board and Attendance Record of Directors for the year 2013-2014

Name of Director	Category	Meetings held	Meetings attended	Attendance in last A.G.M.
Shri. Rajiv Gupta	Non- Executive Independent Director	5	4	No
Shri. Sharad Sanghi*	Non- Executive Independent Director	5	0	No
Shri Arun Mitter	Non- Executive Independent Director	5	5	Present
Shri. M.K.Madan	Non- Executive Independent Director	5	5	Present

Outside Directorship and Memberships of Board Committees

Name of Director	No. of Directorships held including Private Companies in India	In Unlisted Public Limited Companies	As Chairman / Member of Board Committees	
			Chairman	Member
Shri. Rajiv Gupta	12	2	5	2
Shri. Sharad Sanghi*	13	-	-	-
Shri Arun Mitter	27	5	2	6
Shri. M.K.Madan	5	2	-	4

Disclosure regarding Appointment or Reappointment of Directors:

The Particulars of Directors who are proposed to be appointed/re-appointed at the ensuing Annual General Meeting are given below, as required pursuant to clause 49 of the Listing Agreement.

Shri. M K Madan, and Rajiv Gupta
Retire by rotation and being eligible have offered themselves for re-appointment.

1. Shri Rajiv Gupta B.E is. (IIT Delhi) and holds 4,550 Equity Shares of Rs.10/- each of the Company. Shri Rajiv Gupta is Director of Jayabharat Credit Limited. He has experience of over three decades in the finance sector. He is associated with various businesses, social and cultural organizations He holds Directorship in the following Companies. viz. The Motor & General Finance Limited., India Lease Development Limited. Bahubali Services Limited. Associated Traders & Engineers Ltd., Upper India Hire Purchase Companies Association Limited. M.G.F.Securities Pvt. Ltd.,Grosvenor Estates Pvt Limited., Gee Gee holdings Pvt Ltd., Ram Prakash & Co. Pvt. Ltd., M G F Estates Pvt. Ltd., Card Services India Pvt Ltd., Local Goods Carriers Pvt Ltd.

2. Shri M K Madan is B.Com, F.C.A and A.C.S, he holds Nil Shares of the Company.

Shri M K Madan is Director of Jayabharat Credit Limited. He has over 38 years experience of the Finance Sector. He holds Directorship in the following companies.viz. India Lease Development Ltd., Bahubali Services Ltd., Upper India Hire-Purchase Co. Asso. Ltd., MGF Securities Pvt Ltd., MGF Market Place Mall Management Pvt Ltd. and VMR Promoters Pvt Ltd

3. AUDIT COMMITTEE

As per the requirement of clause 49 of the listing agreement. The present audit committee consists of three directors; all the three Directors are Non-Executive and Independent Directors:

1. Shri. Arun Mitter
2. Shri. Sharad Kumar Sanghi
3. Shri. M K Madan

Shri. Arun Mitter - Non Executive Director is Chairman of Audit Committee.

Meetings, attendance and topic discussed:

1. The Committee reviews periodically the financial accounts, adequacy of internal control, and compliance with accounting standards.
2. Recommending the appointment of Statutory Auditors, and fixing their audit fees.
3. Reviewing with the management, the adequacy of internal System.

During the year, the Committee met four times on 30th May 2013, 14th August, 2013, 13th November, 2013, and 14th February, 2014 .The following Members were present at the meetings

DIRECTORS	30.05.2013	14.08.2013	13.11.2013	14.02.2014
Shri Arun Mitter	✓	✓	✓	✓
Shri Sharad Kumar Sanghi *	--	--	--	--
Shri M K Madan	✓	✓	✓	✓

✓ Means Meeting attended.

4. SHAREHOLDERS' GRIEVANCE COMMITTEE

Composition: The present Shareholders' Grievance Committee consists of three directors; all the three directors are non executive and independent directors. The Committee redresses the grievances of the shareholders like Share Transfer, Splitting / consolidation of Shares, merging of Folios etc.

1. Shri. Rajiv Gupta
2. Shri. Sharad Sanghi
3. Shri Arun Mitter

i) Shri. Rajiv Gupta - Non Executive Director is Chairman of Shareholders Committee.

The meetings of Shareholders' Grievance Committee were held on 30th May 2013, 14th August, 2013, 13th November, 2013 and 14th February, 2014 and the following Members were present at the meetings.

DIRECTORS	30.05.2013	14.08.2013	13.11.2013	14.02.2014
MR RAJIV GUPTA	✓	✓	✓	✓
MR SHARAD SANGHI*	--	--	--	--
MR ARUN MITTER	✓	✓	✓	✓

✓ Means Meeting attended.

Details of Investors complaints received during the year ended 31st March, 2014

S.No	Nature of complaints	Received	Disposed	Pending
1.	Non receipt of dividend warrant(s)	Nil	Nil	-
2.	Non receipt of share certificates after transfer/exchange/sub-division/consolidation/merger	Nil	Nil	-
3.	Non receipt of Balance Sheet	Nil	Nil	-
	Total	Nil	Nil	-

5. REMUNERATION COMMITTEE

Remuneration Committee Meeting was not held during the year.

Mr. Rajiv Gupta Non Executive Director is Chairman of the Remuneration Committee.

The meetings in addition to the members of the audit committee were attended by the heads of finance, internal auditor and statutory auditors of the Company and those executives of the Company who were considered necessary for providing inputs to the committee.

Remuneration of Directors

Remuneration of Non Executive Directors:

Non-Executive Directors are paid sitting fees of Rs.2, 000 /- for every meeting of the Board and Committee attended by them. Apart from sitting fees Non-Executive Directors are not paid any other remuneration.

Details of remuneration paid to the Directors during the year 2013-14

Directors	Sitting fees (Rs.)	Salary and Perquisites (Rs.)			Total (Rs.)
		Salary	Benefits & Bonus	Pension /others	
SHRI RAJIV GUPTA	16,000	----	----	----	16,000
SHRI SHARAD SANGHI*	0	----	----	----	0
SHRI ARUN MITTER	20,000	----	----	----	20,000
SHRI M K MADAN	20,000	----	----	----	20,000

* Shri Sharad Sanghi has resigned with effect from 01.04.2014 as a Director of the Company.

6. GENERAL BODY MEETINGS

Past three Annual General Meetings of the Company were held at M C Ghia Hall, 2nd Floor, Bhogilal Hargovindas Bldg, 18/20 Kaikhushru Dubash Marg, Mumbai 400001 on the following dates and time:

SR. NO.	A G M	DATE	TIME	PARTICULARS
1.	68 th	06.09.2011	11.30 A.M.	No Special Resolution was passed in 68 th Annual General Meeting held on 06th September, 2011
2.	69 th	04.09.2012	11.30 A.M.	No Special Resolution was passed in 69 th Annual General Meeting held on 04th September, 2012
3.	70 th	17.09.2013	11.30 A.M.	No Special Resolution was passed in 70 th Annual General Meeting held on 17th September, 2013

The Company has not so far, adopted postal ballot system for passing any resolution and there is no agenda item in ensuing Annual General Meeting, which needs approval by postal ballot.

7. DISCLOSURE

The Company has never failed to comply with any authority i.e. Mumbai Stock Exchange, SEBI on any matter related to capital markets during last 3 years.

8. MEANS OF COMMUNICATION

Quarterly and half Yearly Financial results are published in Free Press Journal and Nav Shakti news papers along with press release and the same are also promptly communicated to the Stock Exchanges. The Company has its own website. There were no presentations made to the institutional investor or analysts. Management Discussion and Analysis forms part of this Annual Report.

9. GENERAL SHAREHOLDERS INFORMATION

9.1 Annual General Meeting:

- 9.1.1 Date : 26.12.2014
9.1.2 Time : 11.30 A.M.
9.1.3 Venue : M C Ghia Hall, 2nd Floor, Bhogilal Hargovindas Bldg,
18/20 Kaikhushru Dubash Marg, Mumbai 400001

9.2 Financial Calendar:

Financial Year	April to March
Mailing of Annual Accounts	Mid July
Annual General Meeting	Mid August - September
Unaudited First Quarter Financial Results	Second week of July
Unaudited Second Quarter Financial Results	Last week of October
Unaudited third Quarter Financial Results	Last week of January

9.3 Date of Book Closure:

The Register of Members and Share Transfer Books of the Company will remain closed from 19.12.2014 to 26.12.2014 (both days inclusive), for the purpose of Annual General Meeting.

9.4 Dividend:

In view of the consolidation of existing business activities and to conserve the resources, your Directors are constrained not to recommend any dividend for this year.

9.5 Listing on Stock Exchange:

The Company is listed on Bombay Stock Exchange

Stock Code

1. BSE MUMBAI : 501311
2. ISIN : INE998D01011 (For electronic connectivity)

9.6 Market Price Data High and Low during the Financial Year 2013-14 and Comparison with BSE Sensex:

Months	Share Price of JCL		BSE Sensex	
	High	Low	High	Low
April 2013	12.54	10.31	19622.68	18144.22
March 2014	7.35	7.00	22467.21	20920.98

9.7 Share Transfer System: M/s Share Pro Services India Pvt. Ltd is the Registrar and Transfer Agent of the Company. All work relating to electronic and the physical share transfer, transmission, and deletion, splitting of share certificate, dematerialization and re-materialization of shares are carried out at the following address:

Address of Registrar and Share Transfer Agents:

Share Pro Services India Pvt. Ltd. (Contact person Mr. Girish Pilankar) 13 AB Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, of. Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400072 Tel: 67720300 / 400 Fax: 28591568 email: Sharepro@shareproservices.com. Shareholders may lodge demat / transfers etc directly to **M/s Share Pro Services India Pvt. Ltd** at the above mentioned address

9.8 Share holding across category as on 31st March 2014:

Sr No	Particulars	No of shares held	% age
1	Directors	4,550	0.09
2	Bank and public Financial institutions	2,27,464	4.55
3	Private Corporate bodies	29,10,819	58.22
4	N R I s	19,168	0.38
5	Others	18,37,999	36.76
	Grand Total	50,00,000	100.00

9.9.1 Distribution of Shareholding as on 31st March 2014

Number of shares			Number of Shareholders		Number of Shares	
			Number	Percentage	Number	Percentage
Upto	To	500	2055	85.91	293825	5.88
501	To	1000	177	7.40	142767	2.86
1001	To	2000	70	2.93	107500	2.15
2001	To	3000	25	1.04	64986	1.30
3001	To	4000	15	0.63	54135	1.08
4001	To	5000	11	0.46	53044	1.06
5001	To	10000	13	0.54	94981	1.90
10001	and	Above	26	1.09	4188762	83.77
Total			2392	100.00	50,00,000	100.00

9.9.2 Shares held in Physical and Electronic mode as on 31st March, 2014

Category	No of Shares	% age
Physical	2,59,420	5.19
N S D L	43,48,656	86.97
C D S L	3,91,924	7.39
TOTAL	5000000	100.00

9.9.3 Address for Communication

19,20 Rajabhadur Mansion, 4th Floor, opp. SBI Main Branch Near Stock Exchange, M S Marg, Fort, Mumbai 400023 Near Stock Exchange, M S Marg, Fort, Mumbai 400023
 Tel no 22664977, 22643021, 22, 23, Fax no 22664813 Email: jcl@jayabharat.com
 web: www.jayabharat.com

For and on behalf of the Board

Rajiv Gupta
Chairman

Arun Mitter

M K Madan
Directors

New Delhi , 21st November,2014

ANNEXURE 'B' TO THE DIRECTOR'S REPORT

10. MANAGEMENT DISCUSSION AND ANALYSIS

10.1 Business Scenario, Prospects and Outlook:

M/s Credit Analysis and Research Limited (CARE) completed the annual rating review of the Company intimated the rating of the Company's FD programme as "C." (FD).

10.2 Segmental Performance:

The Company operates only in fund based activities. All the business activities are centralized and controlled through Head Office. For the time being the disbursement /investment in the fresh Hire Purchase business is differed in view of main focus on repayment of Fixed Deposits.

10.3 Internal Controls:

The Company has strong internal control system in place and is always reviewed continuously to meet the challenges of changing requirements.

10.4 Financials:

There was no fresh business exposure during the year.

	(In Lakhs)	
	2013-2014	2012-2013
Income	304.46	584.65
Payment to and Provisions for employees	51.41	64.49
Other Expenditure	215.09	176.00
Interest Expenditure	339.01	356.73
Depreciation	4.79	7.88
Profit Before Tax/ Loss	-305.84	-20.45
Profit After Tax	-305.84	-20.45
Dividend	---	---

10.5 Risk & Concerns

The Company is consolidating its existing operations by realizing the overdues of the past business transacted. There was no fresh business exposure as funds available were utilized in repayment of deposits and meeting other commitments. The company's fear is that non business exposure to the existing clients sometimes leads to default in repayment which has a cascading effect on other customers for which suitable measures are being taken.

10.6 Human Resources

Your company always regards human resources as its most valuable asset and continuously evolves policies and processes to attract and retain its substantial pool of managerial resources through friendly work environment that encourages initiatives by individuals and recognizes their performance.

10.7 Personnel:

The Company has a strong, dedicated, experienced and trained personnel to meet with the challenge/s, if any, and business requirements. The staff strength of the Company as on 31st March 2014 is 12.

10.8 Disclaimer

Certain Statements in the Management Discussion and Analysis describing the company's views about the industry, expectations, objectives, etc may be understood within the meaning of applicable laws and regulations. Factors like changes in Government regulations, tax laws and other factors such as industrial relations and economic developments etc. may further influence the Company's operations or performance.

11. CERTIFICATION BY CEO/CFO

I, RAJIV GUPTA, Chairman of the Company certify:

1. That we have reviewed the Financial Statements and Cash Flow Statements for the year ended 31st March, 2014 and that to the best of our knowledge and belief,
 - a) These Statements do not contain any materially untrue statements nor omit any material fact, nor contain statements that might be misleading.
 - b) These Statements present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
 - c) There are, to the best of our knowledge and belief, no transactions ever entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
2. We accept responsibility for establishing and maintaining internal control for Financial Reporting and we have evaluated the functioning of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operations of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
3. we have indicated to the Auditors and Audit Committee;
 - i) Significant changes in internal control over Financial Reporting during the year;
 - ii) Significant changes in the Accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

New Delhi, 21st November, 2014

RAJIV GUPTA
CHAIRMAN

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

CERTIFICATE

To the Members of Jayabharat Credit Limited

We have examined the compliance of conditions of Corporate Governance by **Jayabharat Credit Limited** for the year ended on 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the abovementioned Listing Agreement.

We state that no investor grievance(s) is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/ Investors Grievance Committee.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

SHARP & TANNAN
Chartered Accountants
Registration no. 109982W
by the hand of

MILIND P. PHADKE
Partner
Membership No. 033013

Mumbai, 21st November,2014