

# **THIRTEENTH ANNUAL REPORT 1998-99**



## **VBC FINANCE & LEASING LIMITED**

**Registered Office :**

**6-2-913/914, Ground Floor, Progressive Towers,  
Khairatabad, Hyderabad - 500 004.**

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**BOARD OF DIRECTORS****C. Venkatramiah****B.K. Rao****M.S. Rama Rao****V.S. Rao****V. Rama Murthy****Managing Director****THIRTEENTH ANNUAL GENERAL MEETING**

Date : 30th September, 1999  
 Day : Thursday  
 Time : 12.00 Noon  
 Place : Surana Udyog Auditorium  
 The Federation of Andhra Pradesh  
 Chambers of Commerce and Industry  
 11-6-841, Red Hills,  
 Hyderabad - 500 004.

**AUDITORS:****M/s. BRAHMAYYA & CO.**

Chartered Accountants,

Tilak Road,

Hyderabad - 500 001.

**BANKERS:****STATE BANK OF INDIA****Registered Office :**

6-2-913/914, Ground Floor,

Progressive Towers, Khairatabad,

Hyderabad - 500 004.

**SHARE TRANSFER AGENTS:****VENTURE CAPITAL &****CORPORATE INVESTMENTS LTD:**

6-2-913/914, Third Floor,

Progressive Towers, Khairatabad,

Hyderabad - 500 004.

**Branch Office :**

A-4 Unit,

Industrial Estate,

Visakhapatnam - 530 007.

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to kindly bring their copies to the Meeting.



VBC FINANCE &amp; LEASING LIMITED

### NOTICE OF THE 13th ANNUAL GENERAL MEETING :

Notice is hereby given that the 13th Annual General Meeting of Members VBC Finance & Leasing Limited, will be held on Thursday the 30th September, 1999 at 12-00 Noon at Surana Udyog Auditorium of the Federation of Andhra Pradesh Chambers of Commerce and Industry, 11-6-841, Red Hills, Hyderabad-500 004 to consider the following:-

- (1) To consider and adopt the audited balance sheet as on 31.3.1999 and the Profit and Loss Account for the period ended on that date and the reports of Directors and Auditors thereon.
- (2) To appoint a Director in place of Sri B.K. Rao, who retires by rotation and is eligible offers himself for re-election.
- (3) To appoint a Director in place of Sri M.S. Rama Rao, who retires by rotation and being eligible offers himself for re-election.
- (4) To appoint Auditors for the financial year 1999-2000 to hold office till the conclusion of the next Annual General Meeting, and fix their remuneration. M/s. Brahmayya & Company, the retiring auditors, are eligible for reappointment.

By order of the Board

Place : Hyderabad  
Date : 07-08-1999

**V. RAMA MURTHY**  
Managing Director

#### NOTES :

1. ANY MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE THE PROXIES SHOULD BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The register of Members and share Transfer Books of the Company will be closed from 29-09-1999 to 30-09-1999 (both days inclusive).
3. Members who wish to seek any further information/Clarification at the meeting on the annual accounts or operations of the Company are requested to send their queries at least a week in advance of the date of the meeting to the Registered office of the Company.
4. Members are requested to intimate any change in their address to the Company immediately.
5. Members who attend the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.



## DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Company's 13th Annual Report and Audited Accounts for the year ended 31st March, 1999.

(Rs. in lacs )

### FINANCIAL RESULTS :

	1998-99	1997-98
Gross Profit / (Loss) before Depreciation	(2.80)	(1.66)
Less : Depreciation	(2.95)	(4.07)
Profit / (Loss) after Depreciation	(5.75)	(5.73)
Less : Recovery of NPAs	(0.14)	(1.25)
Loss after recovery of NPAs	(5.61)	(4.48)
Add Provision for NPAs	(63.07)	--
Loss after Total Provisions	(68.68)	4.48
Add Brought forward Loss from previous year	115.69	111.21
Loss carried over to next year	184.37	115.69

### DEPOSITS

We are pleased to inform that Reserve Bank of India Certificate of Registration was received in November 1998 and we propose to get the company rated which would enable us to increase the deposits. The unclaimed deposits of the company as on 31-3-1999 were Rs.4,49,910/- and your directors are making all efforts to find out the present addresses of these depositors to contact them and settle the accounts.

### DIVIDEND :

The Board is unable to recommend any dividend due to the loss incurred.

### PERSONNEL :

There are no employees, who have been paid remuneration / salaries and allowances during the year under review, exceeding the limits prescribed under Section 217(2A) of the Companies Act.1956

### DIRECTORS :

In accordance with provisions of the Companies Act, 1956 and clause 105-B of Articles of Association of the Company, Shri B.K. Rao, and Shri M.S. Rama Rao retire by the rotation and being eligible, offer themselves for re-election.

### AUDITORS :

M/s BRAHMAYYA & CO., Chartered Accountants, Hyderabad, retire as Auditors and are eligible for re-appointment.

### ACKNOWLEDGMENTS :

The Board acknowledges the continued support extended to the Company by the Shareholders, Depositors, Customers and our Bankers.

ON BEHALF OF THE BOARD OF DIRECTORS.

Place : Hyderabad  
Date : 07-08-1999

V. RAMA MURTHY  
Managing Director



## VBC FINANCE &amp; LEASING LIMITED

## AUDITORS' REPORT

To the Shareholders of VBC FINANCE & LEASING LIMITED, HYDERABAD (A.P).

We have audited the attached Balance Sheet of VBC FINANCE & LEASING LIMITED, HYDERABAD (A.P) as at 31st March, 1999 and the Profit & Loss Account for the year ended on that date annexed thereto and report that:

1. 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.
2. 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 such books.
3. The Balance Sheet and the Profit and Loss Account referred to in this report are in agreement with the books of account.
4. In our opinion, the Balance Sheet and the Profit and Loss Account comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable; and
5. In our opinion and to the best of our information and according to explanations furnished to us, the said Balance Sheet and Profit and Loss Account read together with the schedules annexed therewith gives the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view:
  - i) Insofar as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 1999.

AND

- ii) Insofar as it relates to the Profit and Loss Account, of the loss of the Company for the year ended on that date.
6. As required by the Manufacturing and other Companies (Auditors' Report) Order, 1988, issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks, as were considered appropriate, we report hereunder on the matters specified in paragraphs 4 and 5 of the said Order:
    - i) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the management. There is annual verification of fixed assets, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
    - ii) None of the fixed assets have been revalued during the year.
    - iii) In our opinion the rate of interest and other terms and conditions on which loans have been granted to Companies, firms or other Companies listed in the registers maintained under Section 301 are not, prima facie, prejudicial to the interest of the Company.
    - iv) a) In respect of loans and advances to employees the principal repayments as stipulated were not received during the year. The Company, as informed to us, is taking reasonable steps for recovery of the same.
    - b) In respect of loans and advances to others the principal repayments and interest payments as stipulated were not received during the year, and the Company, as informed to us is taking reasonable steps for recovery of the same.