

# **SEVENTEENTH ANNUAL REPORT 2002 - 2003**

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## **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

**M.S. Rama Rao**

**C. Madhusudan**

**Ch. Srihari**

**M. Srimani**

## AUDITORS :

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

*Chartered Accountants*

26-13-37, Sanyasi Raju Nagar

Vijayawada - 520 003

## SEVENTEENTH ANNUAL GENERAL MEETING

Date : 30th September 2003

Day : Tuesday

Time : 12.00 a.m.

Place : Hotel Peari Regency  
Lakdikapool  
Hyderabad - 500 004

## BANKERS

**STATE BANK OF INDIA**

Khairatabad, Hyderabad-4.

## SHARE TRANSFER AGENTS :

**(Physical & Demat)**

**VENTURE CAPITAL &**

**CORPORATE INVESTMENTS LTD.**

6-2-913/914, Third Floor,

Progressive Towers, Khairatabad,

Hyderabad - 500 004.

Phone : 040-23322262/64

## Registered Office :

6-2-913/914, Ground Floor,  
Progressive Towers, Khairatabad  
Hyderabad - 500 004.  
Phone : 040-23301166/99

## 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.



## **NOTICE OF THE 17th ANNUAL GENERAL MEETING**

Notice is hereby given that 17th Annual General Meeting of Members of VBC Finance & Leasing Limited, will be held on Tuesday the 30 th September, 2003 at 12.00 a.m at Hotel Pearl Regency, Lakdi-Ka-Pool, Hyderabad - 500 004 to consider the following: -

### **ORDINARY BUSINESS:**

- (1) To consider and adopt the audited balance sheet as on 31st March 2003 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 Shri Ch. Srihari who retires by rotation and being eligible, offers himself for reappointment.
- (3) To appoint M/s Brahmayya & Co. Chartered Accountants as Auditors for the financial year 2003 - 2004, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration

### **SPECIAL BUSINESS:**

- (4) To consider and if thought fit to pass with or without Modification(s) the following Resolution as a Special resolution.

RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 1956, SEBI Guidelines, Securities Contract Regulation Act, 1956, Listing Agreements and all other applicable laws, rules, regulations and guidelines and subject to such other approvals, permissions, and sanctions as may be required and subject to such conditions and modifications as may be prescribed or imposed by any authority while granting such approvals, permissions, and sanctions which may be agreed to by the Board of Directors of the Company , approval of the Company be and is here by accorded to the Board of Directors of the company for Voluntary de listing of the Equity shares of the Company from Hyderabad Stock Exchange Limited and Madras Stock Exchange Limited.

RESOLVED FURTHER THAT the Board of Directors of the company be and is here by authorized to take all necessary steps in this regard and to do all such acts and deeds as may be deemed expedient or necessary in this behalf to give effect to this Resolution.

By order of the Board

Sd/-

**M. SRIMANI**

Whole-time Director

Place: Hyderabad  
Date: 26.08.2003



# VBC FINANCE & LEASING LIMITED

## NOTES: -

1. Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead and such proxy need not be a member of the company. In order to be effective the proxies should be deposited with the company at its registered office not less than 48 hours before the meeting.
2. An Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed.
3. The Register of Members and Share Transfer Books of the Company will be closed from 27th September 2003 to 30th September 2003 (both days inclusive)
4. 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.
5. Members are requested to intimate any change in their address to the company immediately.
6. Members who attend the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
7. Members who have multiple folios in identical names or joint accounts in the same order are requested to intimate the Company's Registrars and Share Transfer Agents, at the aforesaid address, the ledger folios of such accounts to enable the Company to consolidate all such shareholdings into one account.
8. As per the recent amendment to the Companies Act, 1956, the members of a Company are allowed to nominate any person to whom the shares shall be transmitted in the event of member's death. Members are advised to contact the Company to avail this facility'.
9. The Company's shares continue to be listed with the Hyderabad Stock Exchange Limited, The Stock Exchange Mumbai, and The Madras Stock Exchange.
10. Members are requested to bring their copies of Annual Reports at the time of attending the meeting.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

### Item No.4 :

As you are aware that the Equity Shares of the company are listed on the Stock Exchanges of Mumbai, Madras and Hyderabad. In view of the low-level operations of the Company over the last decade, the scrip of the company is not actively traded in Hyderabad and Madras Stock Exchanges and also to reduce the operational cost, it is proposed to make applications to Hyderabad and Madras Stock Exchanges for de-listing of Equity Shares of the Company. However your Company's Equity Shares shall continue to be traded on the Mumbai Stock Exchange Ltd. the National Level Stock Exchange. Your directors therefore commend the resolution for your approval.

None of the Directors of the Company is in any way interested / Concerned in the proposed resolution.

By order of the Board

Sd/-

**M. SRIMANI**

Whole-time Director

Place: Hyderabad  
Date: 26.08.2003



# VBC FINANCE & LEASING LIMITED

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors are glad to present the Company's 17th Annual Report and Audited Accounts for the year ended 31st March 2003.

## FINANCIAL RESULTS

	2002-03 (Rs. Lakhs)	2001-2002 (Rs. Lakhs)
Gross Profit before Depreciation	49.26	21.65
Less: Depreciation	6.86	6.42
Profit after Depreciation	42.40	15.23
Add: Provision for NPAs Written Back	NIL	33.69
Less: Provision for Taxation	3.00	NIL
Less : Reserve Fund as per Section 45-IC of RBI Act	8.48	9.65
Balance after Total Provisions	30.92	39.27
Less: Income Tax of earlier years	3.64	0.69
Less : Brought Forward Loss from Previous year	81.38	119.96
Balance Loss carried over to nextyear	54.10	81.38

## DEPOSITS :

The Company has not accepted any fresh deposits during the year under review. The Company has repaid all unclaimed Deposits and has no liability towards deposit accounts as on 31st March 2003. Further as the company has resolved not to accept further deposits from public, an application was made to Reserve Bank of India for conversion of the company from "Deposit Accepting Company" to a "Non- Deposit Accepting Company".

## DIVIDEND :

Your Directors regret their inability to recommend dividend for the year on account of accumulated losses and your Directors are hopeful to improve the over all performance of the Company in the ensuing years,

## OPERATIONS:

The efforts initiated by the directors have resulted in improvement of company's Profitability in recent years and the company is hopeful of wiping out its accumulated losses in the near future.

## 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. read with the Companies (Particulars of Employees) Rules, 1975.

## DIRECTORS :

Mr.B.K.Rao has resigned from the directorship of the Company w.e.f 31st July 2003. The Board places on record its appreciation for the services rendered by Mr.B.K.Rao during his tenure as director of the Company.

In accordance with provisions of Section 256 of the Companies Act. 1956 and clause 105-B of the Articles of Association of the company, Shri Ch.Srihari is liable to retire by rotation and being eligible, offers himself for re-election.

## DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 217(2AA) of the Companies Act 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) In the preparation of the annual accounts for the Financial year ended 31st March 2003, the applicable accounting standards have been followed along with proper explanation relating to material departures:



# VBC FINANCE & LEASING LIMITED

- (ii) The directors have adopted appropriate accounting policies and applied them consistently and made judgements and estimates that were 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 or loss of the Company for the year under review;
- (iii) 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 fraud and other irregularities;
- (iv) The directors have prepared the accounts for the Financial year ended 31st March 2003 on a "going concern" basis.

## DEMATERIALISATION OF SHARES:

Trading of securities of our Company has been made compulsorily in dematerialised form with effect from 30th April 2001 and are available for trading under both the Depository Systems in India - NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited). Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is TNE465D01011.

## DELISTING OF EQUITY SHARES:

In view of the low-level operations of the Company over the last decade, the scrip of the company is not actively traded in Hyderabad and Madras Stock Exchanges and also to reduce the operational cost, it is proposed to make applications to Hyderabad and Madras Stock Exchanges for de-listing of Equity Shares of the Company. However your Company's Equity Shares shall continue to be traded on the Mumbai Stock Exchange Ltd. the National Level Stock Exchange

## AUDITORS:

M/s Brahmayya & Co., Chartered Accountants retire as Auditors and being eligible offer themselves for reappointment. Board of Directors recommend for their re-appointment

## ACKNOWLEDGEMENTS:

Your Directors place on record their appreciation for the support extended to the Company by its Shareholders, Depositors and Bankers.

For and on behalf of the Board of Directors

Sd/-

**M. SRIMANI**

Whole-time Director

Sd/-

**CH. SRIHARI**

Director

Place: Hyderabad

Date: 26.08.2003

## DISTRIBUTION OF HOLDINGS AS ON 30th JUNE 2003

NOMINAL VALUE		HOLDERS		AMOUNT	
		Number	% of Total	In Rs.	% of Total
Upto	5000	2467	92.57	32,60,810	11.42
5001	10000	86	3.23	7,72,000	2.70
10001	20000	28	1.05	4,45,200	1.56
20001	30000	17	0.64	4,38,000	1.53
30001	40000	1	0.04	40,000	0.14
40001	50000	33	1.24	16,36,000	5.73
50001	100000	0	0.00	0	0.00
100001	and above	33	0.24	2,19,49,300	76.90
<b>TOTAL</b>		<b>2665</b>	<b>100.00</b>	<b>2,85,41,410</b>	<b>100</b>