

# **EIGHTEENTH ANNUAL REPORT**

## **2003 - 2004**

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### **VBC FINANCE & LEASING LIMITED**

Registered Office :  
6-2-913/914, Ground Floor Progressive Towers  
Khairatabad, HYDERABAD - 500 004.

## CONTENTS

	Page No
Notice	1
Directors' Report	3
Auditors' Report	5
Balance Sheet	8
Profit & Loss A/c	9
Schedules	10
Notes on accounts	15
Cash Flow Statement	18
Balance Sheet Abstract	19

## 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 Street*

*Vijayawada - 520 003*

## EIGHTEENTH ANNUAL GENERAL MEETING

Date : 30th September 2004

Day : Thursday

Time : 3.30 p.m.

Place : Surana Udyog Auditorium  
FAPCCI, 11-6-841, Red Hills  
Hyderabad - 500 004

## 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

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 & LEASING LIMITED

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### NOTICE OF THE 18th ANNUAL GENERAL MEETING

Notice is hereby given that 18th Annual General Meeting of Members of VBC Finance & Leasing Limited, will be held on Thursday the 30 th September, 2004 at 3.30 p.m at Surana Udyog Auditorium of the Federation of Andhra Pradesh Chamber of Commerce & Industry situated at 11-6-841, Red Hills, Hyderabad-500 004 to consider the following: -

**ORDINARY BUSINESS:**

- (1) To consider and adopt the audited balance sheet as on 31st March 2004 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 M.S. Rama Rao 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 2004 - 2005, 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

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By order of the Board

Sd/-

Place: Hyderabad  
Date: 31.07.2004

**M. SRIMANI**  
Whole-time Director



## VBC FINANCE & LEASING LIMITED

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### 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. The Register of Members and Share Transfer Books of the Company will be closed from 27th September 2004 to 30th September 2004 (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.
6. 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.
7. 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'.
8. The Company's shares continue to be listed with the Hyderabad Stock Exchange Limited, The Stock Exchange Mumbai, and The Madras Stock Exchange.
9. Members are requested to bring their copies of Annual Reports at the time of attending the meeting.

Place: Hyderabad  
Date: 31.07.2004

By order of the Board

Sd/-  
**M. SRIMANI**  
Whole-time Director



# VBC FINANCE & LEASING LIMITED

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors are glad to present the Company's 18th Annual Report and Audited Accounts for the year ended 31st March 2004.

## FINANCIAL RESULTS

	2003-04 (Rs. Lakhs)	2002-2003 (Rs. Lakhs)
Gross Profit before Interest and Depreciation	150.64	49.26
Less: Interest	10.92	0.00
Depreciation	7.90	6.86
Profit after Interest and Depreciation	131.82	42.40
Less: Provision for Taxation	14.00	3.00
Less : Reserve Fund as per Section 45-IC of RBI Act	26.50	8.48
Balance after Total Provisions	91.32	30.92
Less: Income Tax paid for earlier years	0.40	3.64
Less : Loss brought forward from Previous year	54.10	81.38
Balance of Profit/(Loss) carried over to next year	36.82	(54.10)

## 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. Further Reserve Bank of India has accepted the Company's application 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 under review 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's accumulated losses have been wiped out during the year under review.

## 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 :

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 M.S. Rama Rao 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 2004, 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 2004 on a "going concern" basis.

## DEMATERIALIZATION 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 INE465D01011.

## 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 and other business associates.

For and on behalf of the Board of Directors

Sd/-

**M. SRIMANI**

Whole-time Director

Sd/-

**CH.SRIHARI**

Director

Place: Hyderabad

Date: 31.07.2004

## DISTRIBUTION OF HOLDINGS AS ON 30th JUNE 2004

NOMINAL VALUE		HOLDERS		AMOUNT	
		Number	% of Total	In Rs.	% of Total
Upto	5000	5	0.19	6,000	0.02
5001	10000	28	1.06	59,220	0.21
10001	20000	0	0.00	0	0.00
20001	30000	0	0.00	0	0.00
30001	40000	0	0.00	0	0.00
40001	50000	35	1.32	1,18,010	0.41
50001	100000	0	0.00	0	0.00
100001	and above	2,577	97.43	2,83,58,180	99.36
<b>TOTAL</b>		<b>2,645</b>	<b>100.00</b>	<b>2,85,41,410</b>	<b>100</b>