

6th,
Annual report
1999-2000



**VAX HOUSING FINANCE
CORPORATION LIMITED**

**BOARD OF DIRECTORS**

Vijaysingh Rathore - Managing Director
Kailash Gupta - Jt. Managing Director
S.M. Vithalani

AUDITORS

Niranjan Jain & Co.
Chartered Accountants
30, 1st Floor, Hirabhai Market
D.B. Road, Kankaria.

BANKERS

Bank of Baroda
Allahbad Bank
Sarvodaya Comm. Co-op. Bank Ltd.
Syndicate Bank

REGISTERED OFFICE

IIIrd Floor, Simandhar Estate,
Opp. Sakar - III, Income Tax,
Ashram Road, Ahmedabad - 380 014.

BRANCHES**BIKANER**

Nr. Sardul Sports School,
Gajner Road,
Bikaner (Rajasthan)

JAIPUR

4, Kalyan Path, Trimurty Circle,
Jawaharlal Nehru Road,
Jaipur (Rajasthan)

Annual General Meeting :

Saturday, 30th September 2000 at 11 a.m.
IIIrd Floor, Simandhar Estate,
Opp. Sakar - III, Income Tax,
Ashram Road, Ahmedabad - 380 014

A request :

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



VAX HOUSING FINANCE CORPORATION LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT the Sixth Annual General Meeting of Vax Housing Finance Corporation Limited will be held at IIIrd floor, Simandhar Estate, Opp. Sakar - III, Ashram Road, Ahmedabad on Saturday, 30th September 2000 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider, approve and adopt the Profit & Loss Account for the year ended on March 31, 2000 and the Balance sheet as on the said date together with the Auditor's and Directors' Report thereon .
2. To appoint a Director in place of Shri S.M. Vithlani, who retires by rotation and being eligible, offers himself for reappointment
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company 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.

"RESOVLED THAT" pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, ("the Act"), and the provisions of other statues as applicable, and subject to such approvals,consents, permissions and sanctions as may be necessary from the appropriate authorities, the Articles of Association of the company be and are hereby altered in the manner and to the extent set out below :

- (i) The existing interpretation under Article 2 of "the Act" shall be replaced as under:

"The Act" means the Companies Act, 1956 and/ or The Depositories Act, 1996", or any statutory modification or re-enactment thereof for the time being in force.

- (ii) The existing interpretation under Article 2 of "member" shall be replaced as under:

"Member" means the duly registered holder from time to time of the shares of the Company of any class and includes the subscriber(s) of the Memorandum of the Company and also every person whose name is entered as the beneficial owner of any share in the records of the Depository, but does not include the bearer of a share warrant of the Company issued in pursuance of Section 114 of the Act.

- (ii) The following interpretations be added in Article 2 :

"Beneficial Owner" shall have the meaning assigned thereto by Section 2(1) (a) of The Depositories Act, 1996. **"Depository"** shall have the meaning assigned thereto by Section 2(1)(e) of the Depositories Act, 1996.

"The Depositories Act, 1996" shall mean The Depositories Act, 1996 and include any statutory modification or reenactment thereof for the time being in force.

"Securities & Exchange Board of India" means the Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.



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- (iii) After existing Article 11 the following Articles Shall be inserted as Article 11 (1).
 'Intimation to Depository' "Notwithstanding anything contained in this Article, where securities are dealt with in a Depository(s), the Company shall intimate the details of allotment of securities to the Depository(s) immediately on allotment of such securities."
- (iv) The Following new Articles be inserted as Articles 12(5), 12(6), 12(7) and 12(8) after Article 12(4) :
- 'Power to Company to dematerialise and rematerialise'
- "12 (5) The Company shall be entitled to dematerialise its existing shares, debentures and other securities, and rematerialise its such shares, debentures and other securities held by it with the Depository and/or offer its fresh shares and debentures and other securities in a dematerialised form pursuant to The Depositories Act, 1996 and the Rules framed thereunder, if any."
- 'Options for Depositors'
- "12 (6) Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. A beneficial owner of any security can at any time opt out of (the Depository, if permitted by law, in the manner provided by the Depositories Act, 1996 and the company shall in) manner and within the time prescribed, issue to the beneficial owner the required Certificates of Securities."
- 'Securities in Depositories and Beneficial owner'
- "12 (7) All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners."
- 'Rights of Depositories and Beneficial owner'
- "12 (8) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
 (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
 (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities attached to such of his securities which are held by a Depository."
- (v) Article 26 be substituted with the following Article :
- Except as ordered by a Court of Competent jurisdiction or as by required law, the Company is not bound to recognise, even when having notice thereof, any equitable, contingent, future or partial interest in any share or any interest in share other than that of Registered holder or Beneficial owner'
- "Save as herein otherwise provided, Company shall be entitled to treat the person whose name(s) appears on the Register of Members/Debentures as the holders of any share/debenture in the records of the Depository(s) as the absolute owner thereof and accordingly shall not (except as may be ordered by a court of competent jurisdiction or as may be required by law) be bound to recognise any benami trust or equitable, contingent, future or



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other claim or interest or partial interest in any such share/debenture on the part of any other person, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto on the part of any other person whether or not it shall have express or implied notice thereof but the Board shall be at liberty and at its sole discretion decide to register any share/debenture in the joint names of any two or more persons or the survivor or survivors of them."

- vi) The following new Article be inserted as Article 26(a) after Article 26:

The Company to recognise interest in securities other than that of Registered holder, under The Depositories Act."

"The Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with the Depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto, shall be governed by the provisions of The Depositories Act, 1996".

- (vii) The following new Articles be inserted as Articles 69A and 69B after Article 69.

'Nomination'

"69A(1) Every shareholder or debenture holder of the Company, may at any time, nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be prescribed under the Act.

(2) Where the shares or debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares or debentures, as the case may be, shall vest in the event of death of all the joint holders in such manner as may be prescribed under the Act.

(3) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the shares or debentures, the nominee shall, on the death of shareholder or debenture holder or, as case may be, on the joint holders become entitled to all the rights in such shares or debentures or, as the case may be all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner as may be prescribed under the Act.

(4) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint any person to become entitled to shares in, or debentures of, the Company in the manner prescribed under the Act, in the event of his death, during the minority."

'Transmission of Securities'

"69B(1) A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

(a) to register himself as holder of the share or debenture, as the case may be; or

(b) to make such transfer of the share or debenture, as the deceased shareholder or debenture holder, as case may be, could have made.

(2) If the nominee elects to be registered as holder of the share or debenture, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder, as the case may be.



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- (3) A nominee shall be entitled to the share dividend and other advantages to which he would be entitled if he were the registered holder of the share or debenture. Provided that he shall not, before being registered as a member, be entitled to exercise any right conferred by membership in relation to meetings of the Company. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debentures, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or their moneys payable in respect of the share or debenture, until the requirements of the notice have been complied with."

- (viii) The existing Article 210 be renumbered as Article 210(1) and the following Article be inserted as Article 210(2) after Article 210(1) :

'Service of documents on the Company'

"Where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or disks."

- (ix) The existing Article 214(C) be substituted with the following Article :

'Register and Index of Members'

"The Company shall duly keep and maintain at its Registered Office or at such other place may be decided, the various Registers required to be kept and maintained under the Act or Rules made thereunder and The Depositories Act, 1996 with the details of shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media. The Register and Index of beneficial owners maintained by a Depository under Section 11 of The Depositories Act, 1996 shall also be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or country."

5. To Consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution,5.

RESOLVED THAT Pursuant to Section 17 of the Companies Act, 1956 the existing Clause 1 & 2 of Clause III (A) of Memorandum of Association i.e. Main Objects Clause, be and is hereby removed from the Main Objects Clause and inserted in Other Objects Clause III-C after Clause No. 54, as Clause No. 55 & 56 AND the following objects clause be and is hereby inserted as Main Objects of Clause III (A) of the Memorandum of Association (Main Objects Clause) of the company which are as under :

1. To carry on in India or elsewhere, either alone or jointly with one or more person, government, local or other bodies, *the business of manufacturing, trading and servicing of telecom and communication items.*
2. To carry on business as dealers, representatives, agents, manufacturers or to assemble all electronic and electrical equipments and their parts, imports, exports, manufacturing, preparing, servicing, pagers, cellular telephone, radio paging services, fax machines, telephone recording machine, computer, telephone exchange, EPABX, PABX, FAX, microwave communication and speaker network, equipments, pagers, calculators, wireless sets, audio video system, CD player, motherboard mounted PCB, data organise plan computer, betacam (high and lowband) recording, dubbing studio, laser disc, player VHF and UHF trunking system, note counting machine, voice activator, remote controls, security system.

**VAX HOUSING FINANCE CORPORATION LIMITED****EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.****ITEM NO. 4 :**

SEBI by notification has directed for compulsory demat trading of large number of Company's shares. Our Company's shares will be compulsory traded in demat form w.e.f. 27/11/2000. It is therefore necessary to amend the articles of Article of Association of the Company to convert the physical shares into Demat Mode and to deal in Demat Mode Shares and to incorporate the provisions relating to Depositories Act, 1996 and new inserted provisions 109A and 109B under the Companies Act, 1956.

As per Section 31 of the Companies Act, 1956, Articles of Association can be altered by passing Special Resolution in General Meeting of the Shareholders. Therefore, the Directors recommend the resolution for approval of the shareholders.

None of the Directors of the Company concerned or interested in passing of the resolution.

ITEM NO. 5

The present finance market situation is too speculative, therefore your company proposes to diversify the business line, by shifting the main objects clause to other objects clause and inserting new main objects relating to Information and Technology.

As per Section 17 of the Companies Act, 1956, Company has to take approval of the shareholders by passing special resolution in their General Meeting for altering the main objects clause, therefore this resolution is put before you for approval.

No Director concerned with the above resolution.

By Order of the Board

Place : Ahmedabad
Date : September 5, 2000

Vijay Singh Rathore
Managing Director.

Registered Office :

IIIrd floor, Simandhar Estate,
Opp. Sakar - III, Ashram Road,
Ahmedabad - 380 009.

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NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. Register of Member of the Company will remain close from Friday, 15th September 2000 to Saturday, 30th September 2000, (both days inclusive).
3. Members are requested to notify the Company immediately the changes, if any, in the address in full with the postal area, pin code number, quoting their folio numbers.

By Order of the Board

Place : Ahmedabad

Date : September 5, 2000

Vijay Singh Rathore
Managing Director.

Registered Office :

IIIrd floor, Simandhar Estate,
Opp. Sakar - III, Ashram Road,
Ahmedabad - 380 009.

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VAX HOUSING FINANCE CORPORATION LIMITED

DIRECTORS' REPORT

To,

The Members,

Your Directors with pleasure submit their **Sixth Annual Report** alongwith Audited Statement of Accounts for the year ended on 31st March, 2000.

FINANCIAL RESULTS :

| | <u>1999-00</u> | <u>1998-99</u> |
|--------------------------|-----------------------|-----------------------|
| | | (Rs. in Lacs) |
| Income from Operation | 66.49 | 66.52 |
| Profit Before Dep. & Tax | -156.91 | 12.94 |
| Depreciation | 6.89 | 11.79 |
| Tax | 0.00 | 0.12 |
| Profit/Loss after Tax | -163.81 | 1.03 |

The Company could not maintain the Operation level due to adverse Market Situation.

DIVIDEND :

Considering the loss for the period under review, your directors are unable to recommend any dividend for the current year.

DEPOSITS :

The Company has not accepted any deposits from the public. Its application for registration with Reserve Bank of India is pending for registration.

DIRECTORS :

Shri S. M. Vithlani, Director of the Company, retires by rotation and is eligible for re-appointment.

AUDITORS :

Members are requested to appoint M/s. Niranjani Jain & Co., Chartered Accountants, as Auditors of the Company for the ensuing year. The Company has received Certificate from the said Auditors under section 224 (1-B) of the Companies Act, 1956.