

**15th  
Annual report  
2008-2009**



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**VAX HOUSING FINANCE  
CORPORATION LIMITED**

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**BOARD OF DIRECTORS**

Mr. Vijaysingh N. Rathore  
Mr. Kailash G. Gupta  
Mr. Gajendra Kumar Kothari  
Mr. Satish G. Kothari

**AUDITORS**

Niranjan Jain & Co.  
Chartered Accountants  
307, 308, Shital Varsha Arcade,  
Opp. Girish Cold Drinks,  
C.G. Road. Ahmedabad-380 009

**BANKERS**

Kotak Mahindra Bank

**REGISTERED OFFICE**

301, Simandhar Estate,  
Opp. Sakar - III,  
Opp. Old Gujarat High Court,  
Ashram Road,  
Ahmedabad - 380 009  
Ph. : 0091-79-27541252, Fax-079-27545507  
E-mail : vaxgroup2@rediffmail.com

**BRANCH**

**BIKANER**

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

Annual General Meeting :  
30th September 2009 at 11 a.m.  
301, Simandhar Estate,  
Opp. Sakar - III,  
Opp. Old Gujarat High Court,  
Ashram Road,  
Ahmedabad - 380 009  
Ph. : 0091-79-27541252, Fax-079-27545507  
E-mail : vaxgroup2@rediffmail.com

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



**NOTICE**

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting of **VAX HOUSING FINANCE CORPORATION LIMITED** will be held at 301, Simandhar Estate, Opp. Sakar- III, Opp. Old Gujarat High Court, Ashram Road, Ahmedabad-380 009, on 30th September, 2009 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 period ended on March 31, 2009 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 Mr. Vijay Singh Rathore, 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 :**

*To consider and if thought fit, to pass, with or without modifications, the following resolutions as an Ordinary Resolution*

4. **"RESOLVED THAT** Mr. Gajendra Kumar Kothari who was appointed as an Additional Director of the Company pursuant to Sec.260 of the Companies Act, 1956 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice under section 257 of the Companies Act,1956, in writing, proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company subject to retirement by rotation under the Articles of Association of the Company"

*To consider and if thought fit, to pass, with or without modifications, the following resolutions as an Ordinary Resolution*

5. **"RESOLVED THAT** Mr. Satish G. Kothari who was appointed as an Additional Director of the Company pursuant to Sec.260 of the Companies Act, 1956 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice under section 257 of the Companies Act,1956, in writing, proposing her candidature for the office of director, be and is hereby appointed as a Director of the Company subject to retirement by rotation under the Articles of Association of the Company"

**Registered Office :**  
301, Simandhar Estate,  
Opp. Sakar- III,  
Opp. Old Gujarat High Court,  
Ashram Road,  
Ahmedabad-380 009

**By Order of the Board**

Sd-/

**DIRECTOR**

**Date : 02/09/2009**



**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 TO BE A MEMBER.**
2. Register of Members and share Transfer Books of the Company will remain close from **25<sup>th</sup> September, 2009 to 30<sup>th</sup> September, 2009 (Both days inclusive)** For the purpose of Annual General Meeting.
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.

**Registered Office :**

301, Simandhar Estate,  
Opp. Sakar - III,  
Opp. Old Gujarat High Court,  
Ashram Road,  
Ahmedabad - 380 009.

**By Order of the Board**

Sd/-

**DIRECTOR**

**Date : 02-09-2009**

## VAX HOUSING FINANCE CORPORATION LIMITED



Explanatory statement pursuant to Sec. 173(2) of the Companies Act, 1956

### Item No. 4

Keeping in view the plans of the company professional board has been considered as prior requirement. The Board has accordingly inducted Mr. Gajendra Kumar Kothari as additional director with effect from 4<sup>th</sup> May, 2009 and he holds office till the conclusion of the annual general meeting. The Board recommends his appointment. None of the directors except Mr. Satish Kothari is interested in the above resolution.

Name of the Director	Mr. Gajendra Kumar Kothari
Date of Birth	11-06-1955
Date of appointment	04-05-2009

### Item No. 5

Keeping in view the plans of the company professional board has been considered as prior requirement. The Board has accordingly inducted Mr. Satish G. Kothari as additional director with effect from 4<sup>th</sup> May, 2009 and he holds office till the conclusion of the annual general meeting. The Board recommends her appointment. None of the directors except Mr. Satish G. Kothari is interested in the above resolution.

Name of the Director	Mr. Satish G. Kothari
Date of Birth	20-09-1978
Date of appointment	04-05-2009

### Registered Office :

301, Simandhar Estate,  
Opp. Sakar- III,  
Opp. Old Gujarat High Court,  
Ashram Road,  
Ahmedabad-380 009

Date : 02/09/2009

By Order of the Board

Sd/-

DIRECTOR

**VAX HOUSING FINANCE CORPORATION LIMITED**



Regd. Office : IIIrd Simandhar Estate, Opp. Sakar-III, Opp. Old Gujarat High Court, Ashram Road, AHMEDABAD - 380 009.

**ATTENDANCE SLIP**

(Please Complete this attendance slip, and hand it over at the entrance of the meeting hall)

I, hereby record my presence at the Annual General Meeting of Vax Housing Finance Corporation Limited held on Monday, 30th September, 2009 at 301, Simandhar Estate, Opp. Sakar - III, Opp. Sakar- III, Opp. Old Gujarat High Court, Ashram Road, Ahmedabad-380 009 at 11.00 A.M.

Signature : .....

Folio No : .....

Name of the Shareholder : .....

**VAX HOUSING FINANCE CORPORATION LIMITED**

Registered Office : IIIrd Simandhar Estate, Opp. High Court, Opp. Sakar -III, Ashram Road, AHMEDABAD - 380 009.

**PROXY FORM**

Ledger Folio No.: .....

I/We ..... of ..... in the district of ..... being a member/members of **VAX HOUSING FINANCE CORPORAITON**

**LIMITED** hereby appoint ..... of ..... in the district of ..... or failing him ..... of .....

in the district of ..... as my/our proxy to vote for me/us on my/our behalf at the 15<sup>th</sup> Annual General Meeting of the Company to be held on 30<sup>th</sup> September, 2009 at 11 A.M. and at any adjournment thereof.

Signed this \_\_\_\_ day of \_\_\_\_\_ 2009.

1 Rupee  
Revenue  
Stamp

Signature

Folio No : .....

No. of Shares held : .....

Note : The form duly completed should be deposited at the Registered office of the Company at 301, Simandhar Estate, Opp. Sakar III, Opp. Old Gujarat High Court, Ashram Road, Ahmedabad-380 009 not later than 48 hours before the time of the meeting

**DIRECTORS' REPORT**

**Dear Members,**

We have pleasure in presenting the Annual Report of the Company along with the audited statements of Accounts for the year ended 31st March, 2009.

**FINANCIAL PERFORMANCE:**

During the year under review Company has earned income from operation Rs. 46,28,311/- compared to Rs. 99,93,942/- for the previous year.

Company has achieved a profit of Rs. 11,71,808/- compared to profit of Rs. 70,64,163/- for the previous year.

**DIVIDEND**

Company wants to reinvest the profits in to business for future growth there fore your directors are unable to recommend any dividend for the current financial year.

**DEPOSITS**

The Company has not accepted any Deposits from the public within the meaning of Section 58A of the Companies Act, 1956 and Rules made thereunder.

**DIRECTORS**

At the ensuing Annual General Meeting Mr. Vijay Singh Rathore will retire by rotation and being eligible for offers himself for reappointment.

During the year Mr. Jawerilal G Nahata, Mr. Sanjay K Savalia and Mr. Mayank Bhandari have resigned from their office of director and Mr. Gajendra Kumar Kothari & Mr. Satish Kothari have been appointed as an Additional Directors of the of the Company. There being no other changes in directorship of the Company.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 , which requires company to give a Directors Responsibility statement , your directors hereby confirm -

That in preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure.

That Company has selected Mercantile accounting policies and applied them consistently and made judgements and estimates that are 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 that period.

That the directors has taken proper and sufficient care for the maintainance of adequate accounting records in accordance with the provisions of this Act for the safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

That the Directors had prepared the annual accounts on a going concern basis.

**AUDITORS :**

The Auditors M/s. Niranjan Jain & Co. , Chartered Accountants, Ahmedabad, retire at the conclusion of the ensuing Annual General Meeting and offer themselves for reappointment. You are requested to appoint auditors and to fix their remuneration.

**COMMENT ON AUDITORS' REPORT**

The notes to the Accounts referred to in the Auditor's Report are self-explanatory and therefore do not call for any further explanation under Section 217(3) of the Companies' Act, 1956.

**PARTICULARS OF EMPLOYEES AND OTHERS**

The company does not have any employee receiving remuneration of Rs. 2,00,000/- per month or Rs. 24,00,000/- per annum and therefore, no particulars are required to be furnished under section 217(2A) of the Companies Act, 1956.

**INFORMATION ON ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING**

As the company is not engaged in any manufacturing activities, Particulars regarding conservation of energy, Technology upgradation and Foreign Exchange earnings and outgo, pursuant of Companies (Disclosure of particulars in the report of Board of directors) Rules, 1988 is Nil.

**APPRECIATION**

The company places on record its deep appreciation for all those who have been associated with the company and have continued their support towards the growth and stability of the company.

**PLACE : AHMEDABAD****DATE : 02/09/2009****For & on behalf of the  
Board of Directors**

Sd-/

Sd-/

**Director****Director**



**COMPLIANCE REPORT ON CORPORATE GOVERNANCE**

The company is committed to good corporate governance and taking steps for implementing corporate governance norms as by SEBI. The company respects the rights of its shareholders to information on the performance of the company and considers itself a trustee of its shareholders.

**BOARD OF DIRECTORS**

**Composition and category of directors of March 31, 2009 is as follows.**

Category	No. of directors	%
Promoter directors	2	40
Non-executive, independent directors	3	60
Total	5	100

**(3) DETAILS OF BOARD MEETINGS & ATTENDANCE RECORD OF THE MEMBERS OF PRESENT BOARD OF DIRECTORS (Since Last Annual General Meeting) IS AS UNDER:**

Sr. No.	Name of Director(s)*	No. of Meeting Attended		
		Board Meeting	Audit Committee	Last AGM attendance (Yes/No)
1	Mr. Kailashchand Gupta	7	7	Yes
2	Mr. Vijaysingh Rathore	7	7	Yes
3	Mr. Sanjay Savalia	7	7	Yes
4	Mr. Jewerilal Nahata	7	7	Yes
5	Mr. Mayank Bhandari	7	7	Yes

Number of board of directors meeting held dates on which held

Seven board meetings were held during the year. The dates on which the meetings were held are as follows:

4<sup>th</sup> April, 2008, 12<sup>th</sup> April, 2008, 30<sup>th</sup> April, 2008, 31<sup>st</sup> July, 2008, 2<sup>nd</sup> September, 2008, 27<sup>th</sup> October, 2008 and 31<sup>st</sup> January, 2009.

**None of the non-executive directors of the company have any pecuniary relationship or transaction with the company.**

There is no compensation package for non-executive directors and Company has an executive chairman.

**AUDIT COMMITTEE:**

Company has formed audit committee comprising of Independent directors. The audit committee meetings are held prior to the meeting of Board of Directors approving the provisional / un-audited results of the Company and audited results.

Composition, name of members

The Audit Committee met 5 times during the year on 30<sup>th</sup> April, 2008, 31<sup>st</sup> July, 2008, 2<sup>nd</sup> September, 2008, 27<sup>th</sup> October, 2008 and 31<sup>st</sup> January, 2009 and the attendance of members at the meeting was as follows:

Name of the Member	Status	No. of Meetings attended
Mr. Sanjay Savalia	Chairman	5
Mr. Jewerilal Nahata	Member	5
Mr. Kailash Gupta	Member	5

Brief description of terms of reference

The audit committee is looking at effective supervision of the financial reporting process and ensuring financial and accounting controls. The committee periodically interacts with the statutory auditors and Head accounts & finance to discuss internal control and financial reporting issues. The committee provides the overall direction on the risk management policies, including the focus of management Audit. The committee has full access to financial data and to members of the company's staff. The committee reviews the annual and half yearly financial statements before they are submitted to the board. The committee also monitors proposed changes in accounting policies, reviews internal audit functions and discusses the accounting implications of Major transactions.

**REMUNERATION COMMITTEE :**

During the Year under review Company has not paid any Remuneration to it's Managing Directors.

**INVESTORS GREIVANCE CCOMMITTEE :**

Company has formed Investor grievance committee. The committee oversees the share transfers as well as takes care of investor grievances.

The Committee met on 27<sup>th</sup> October, 2008 and the attendance of members at the meeting was as follow :

Name of the Member	Status	No. of Meetings attended
Mr. Mayank Bhandari	Chairman	1
Mr. Vijay Singh Rathore	Member	1



Name and designation of compliance officer :

Mr. Kailashchand Gupta (Jt. Managing Director)

**SHAREHOLDERS' / INVESTORS' COMPLAINTS:**

Nature of Complaints	Received	Solved	Pending
Non-receipt of share certificate/			
Refund / Demat	1	1	0
Stock Exchange	0	0	0
SEBI	0	0	0

The company has attended to the most of the investors grievances / correspondence with in a period of 10 days from the date of the receipt of the same.

**General body Meeting**

Location and time for the last three AGM's

Year	Date	Venue	Time
2005-2006	30 <sup>th</sup> September 2006	301, Simandhar Estate, Opp. Sakar - III, Opp. Gujarat High Court, Ashram Road, Ahmedabad - 380 009.	11.30 A.M.
2006-2007	29 <sup>th</sup> September 2007	301, Simandhar Estate, Opp. Sakar - III, Opp. Gujarat High Court, Ashram Road, Ahmedabad - 380 009.	11.30 A.M.
2007-2008	30 <sup>th</sup> September 2008	301, Simandhar Estate, Opp. Sakar - III, Opp. Gujarat High Court, Ashram Road, Ahmedabad - 380 009.	11.30 A.M.

During the period under report one Extraordinary General Meeting was held on 12<sup>th</sup> May, 2008 and Company has passed resolution through postal ballot on 14<sup>th</sup> May, 2008.

**Disclosures :**

None of the transactions with any of the related parties were in conflict with the interest of the company.

Details of non-compliance by the company, penalties and strictures imposed on the company by stock exchange or SEBI or any statutory authority, or any matter related to capital markets, during the last three years. - NONE

**Means of communication :**

Quarterly Results are generally published in Weatern Times English & Gujarati Edition, Business Standard, Loksata and Jansata

**Shareholder Information :**

## 1.) Annual General Meeting:

Day, Date, Time, Venue Wednesday, 30th September, 2009 at 11.00 a.m.  
301, Simandhar Estate, Opp. Sakar - III,  
Opp. Gujarat High Court, Ashram Road,  
Ahmedabad - 380 009.

## 2.) Financial Year / Calander

1st April, 2008 to 31st March, 2009

## 3.) Date of Book Closer

25th September, 2009 to 30th  
September, 2009 (both days inclusive)

## 4.) Listing on Stock Exchanges

Bombay Stock Exchange

## 5.) Stock Code - Bombay

531650

Stock Code - Ahmedabad

65015

6.) Share transfers in physical form  
and other communication regarding  
Share certificates, dividends and  
change of address etc. should be  
address to

Link Intime India Private Limited  
211, Sudaeshan Complex,  
Near Mithakhali Under Bridge,  
Navrangpura, Ahmedabad - 389 009

i) Yoy can also address your queries  
to the e = mail id :

kgupta.vax@gmail.com

ii) For De-materialization, Physical  
Shares and other related comm-  
unication in this respect should  
be sent to

Link Intime India Private Limited  
211, Sudaeshan Complex,  
Near Mithakhali Under Bridge,  
Navrangpura, Ahmedabad - 389 009

## 8.) Stock Market Data (In Rs. / per share) - The Bombay Stock Exchange Limited

During the year under review Listing of the Copany has been suspended so no trading was taken place both on Bombay Stock Exchange and Ahmedabad Stock Exchange.

## 9.) Share under Lock-in

No Shares are under lock in during the period under review.

10.) *Investors' correspondence may be addressed to :*

Link Intime India Private Limited  
211 Sudarshan Complex,  
Nr. Mithakhali Under Bridge,  
Ahmedabad - 380 009.



## 11) Shareholding Pattern as on 31st March, 2009

Category	No. of Shares held	% of holding
Promoters	24,67,290	49.31
Mutual Funds	-	-
Banks and Financial Institutions	-	-
Insurance Companies	-	-
Foreign Institutional Investors	-	-
Private Bodies Corporate	18,600	0.37
Indian Public	25,17,310	50.32
NRIs/OCBs	-	-
GDR/ADR	-	-
<b>Grand Total</b>	<b>50,03,200</b>	<b>100.00</b>

## 12.) Distribution of Shareholding: (As on 31-03-2009)

Share holding Nominal value (1)	Share holders		Share amount	
	Numbers (2)	% of total (3)	In Rs. (4)	% of total (5)
Upto - 5,000	2506	79.50	6951100	13.89
5,001 - 10,000	234	7.42	2161000	4.32
10,001 - 20,000	143	4.53	2243000	4.48
20,001 - 30,000	110	3.49	2901000	5.80
30,001 - 40,000	31	0.98	1049000	2.10
40,001 - 50,000	29	0.92	1407000	2.81
50,001 - 1,00,000	54	1.71	4226000	8.45
1,00,001 & Above	45	1.43	29093900	58.16
<b>TOTAL -</b>	<b>3152</b>	<b>100.00</b>	<b>50032000</b>	<b>100</b>

## 13.) Plant Locations :

Company being a finance company details regarding location of plant did not applicable.

Address for Correspondence : 301, Simandhar Estate, Opp. Sakar - III,  
Opp. Gujarat High Court, Ashram Road,  
Ahmedabad - 380 009.



**Name of Compliance Officer :**

Kailashchand G Gupta  
(Jt. Managing Director)

**Certificate from Auditor:**

Company has obtained the certificate from the Auditor of the company regarding Compliance of Conditions of Corporate Governance under clause 49 of Listing Agreement which is annexed as per "Annexure-C".



**ANNEXURE -C**

**AUDITORS CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S).**

To the members of  
**VAX HOUSING FINANCE CORPORATION LIMITED**

- 1 We have examined the compliance of conditions of Corporate Governance by VAX HOUSING FINANCE CORPORATION LIMITED for the year ended on 31<sup>st</sup> March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company ,with Stock Exchanges .
- 2 The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- 3 *In our opinion and to the best of our information and according to the explanations given to us and subject to Para 4 below, we certify that the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements have been complied with particularly with respect to the constitution and formation of Audit committee and in all the material aspects by the company.*
- 4 We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2009, no investor grievances are pending against the Company for a period exceeding one month as per the records maintained by the Company and presented to the Shareholders / Investors Grievance Committee.

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

For, **Niranjan Jain & Co.**  
Chartered Accountants

Sd/-

**(Niranjan Jain)**

Partner

M.No. 47811

Place : Ahmedabad

Date : 2<sup>nd</sup> September, 2009

**AUDITORS REPORT**

To,  
The Members of  
**VAX HOUSING FINANCE CORPORATION LIMITED**  
AHMEDABAD

We have audited the attached Balance Sheet of VAX HOUSING FINANCE CORPORATION LIMITED as at 31st March, 2009 and also the profit and Loss Account for the Year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

**We report as follows :-**

1. As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government of India, in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraph 4 and 5 of the said order.
2. Further to our comments in the Annexure refers to in paragraph above.
  - a. 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.
  - b. In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of the books.
  - c. The Balance Sheet, Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet and Profit and Loss Account dealt with this report comply with the Accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - e. On the basis of written representation received from the Directors as on 31<sup>st</sup> March, 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
  - f. In our opinion, and to the best of our information and according to the explanations given to us, the said accounts, read together with the Company's Accounting Policies and the Notes thereto, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - I. In the case of the Balance Sheet, of the state of affairs of the Company as on 31<sup>st</sup> March 2009, and
    - II. In the case of the Profit and Loss Account of the Profit of the Company for the Year ended on that date: and

For, **NIRANJAN JAIN & CO.**  
(Chartered Accountants)

Sd/-

**(NIRANJAN JAIN)**  
Partner  
Mem. No. 47811

Date : 02-09-2009  
Place: Ahmedabad

**ANNEXURE TO THE AUDITOR'S REPORT****Referred to in paragraph 1 of our Report of even date:**

1. a). The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
b) All the assets have not been physically verified by the management during the year but there is regular program of verification. Which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As explained the reconciliation of physical inventory of all assets with book records is almost over and the Company is in process of reconciliation of physical inventory with book records in respect of all the assets.  
c) During the year, Company has disposed of office Building, Furniture, Vehicle, Air conditioner etc. Installation and Machinery.
2. (a) As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory the discrepancies noticed on physical verification of inventory as compared to the books records were not material and have been properly dealt with in the books of account.
3. (a) according to information and explanations given to us, the Company has not taken loan from the parties listed in the Register maintained under Section 301 of the Companies Act, 1956 : the Company has granted unsecured loan to associates Company, listed in the Register maintained under section 301 of the Companies Act, 1956  
(b) According to the information and explanations given to us, in our opinion, the rate of interest and other terms and conditions of above loan granted by the Company, are not prima facie, prejudicial to the company.  
(c) According to the information and explanations given to us, the company to whom loan and advance in the nature of loan have been given is replying the principal amount as stipulated and is also regular in payment of interest.  
(d) There is no overdue amount of loan granted to the company listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedure commensurate with the size of the Company and nature of its business. During the course of our audit, no major weakness has been noticed in the internal controls.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions of section 58A and 58AA of Companies Act, 1956, and Rules there under are not applicable to the Company.
6. We have broadly reviewed the books of account maintained by the company. The company is not required to maintain cost records as prescribed by Central Government u/s 209 (1) (d) of the Companies Act, 1956. as it did not carry any manufacturing activity and are of the opinion that prima-facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examinations of the records with a view to determining whether they are accurate or complete.



7. As per the information and explanations given to us, no undisputed amount payable in respect of Income tax, custom duty and excise duty were remaining outstanding as on 31st March, 2009 for a period of six months from the date they become payable.
8. The Company has accumulated losses as at the end of the year and the Company has incurred cash losses during current financial year.
9. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the company has not defaulted in the repayment to dues to financial institutions. Banks and debentures and other securities.
10. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
11. The provisions of any special status applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the company.
12. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions.
13. To the best of our knowledge and belief and according to the information and explanations given to us, the company has not availed any term loan hence question of its application for the purpose for which it is obtained does not arise.
14. The company has not made any preferential allotment to parties and companies covered under register maintained under section 301 of the Companies Act, 1956. During the year and question of whether the price at which the shares have been issued is prejudicial to the interest of the Company does not arise.
15. The company has not raised money by any public issues during the year.
16. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

For, **NIRANJAN JAIN & CO.**  
Chartered Accountants

Sd/-

**NIRANJAN JAIN**  
Partner  
Mem. No. 47811

Date : 02-09-2009  
Place : Ahmedabad

# VAX HOUSING FINANCE CORPORATION LIMITED



## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2009

Particulars	SCH		31/03/09		31/03/08
<b>SOURCES OF FUNDS</b>					
1. SHARES HOLDER'S FUNDS					
A SHARE CAPITAL	A	50032000 0	50032000 0		50032000
		-----	-----		-----
	TOTAL		50032000		50032000
			=====		=====
<b>APPLICATION OF FUNDS</b>					
1. FIXED ASSETS					
GROSS BLOCK	B	649503	5754803		
LESS: DEPRECIATION		346536	3131118		
		-----	-----		
NET BLOCK			302967		2623685
2. INVESTMENT	C		18244600		24236600
3. CURRENT ASSETS, LOANS & ADVANCES					
A Sundry Debtors	D	140000		0	
B Cash & Bank Balance	E	2422905		3254088	
C Loans & Advances, Deposit	F	29450596		33729072	
		-----	-----	-----	
Less :- Current Liabilities & Provision	G	32013501 8237153		36983160 22826110	
		-----	-----	-----	
			23776348		14157050
4. PROFIT & LOSS A/C.			5300010		6471818
5. BIKANER BRANCH			1473341		1608113
6. PRE OPERATIVE EXPS.			934734		934734
			-----		-----
			50032000		50032000
			=====		=====
Significant Accounting Policies & Note on Account	J		0		0

As per our attached audit report of even Date

For, Niranjan Jain & Co.  
Chartered Accountants For,

Sd/-

(Niranjan Jain )  
Partner

Date : 02-09-2009  
Place : Ahmedabad

For & on Behalf of Board  
Vax Housing Finance Corporation Ltd.

Sd/- Sd/-

Mg. Director / Director

Date : 02-09-2009  
Place : Ahmedabad

**VAX HOUSING FINANCE CORPORATION LIMITED**



**PROFIT & LOSS ACCOUNT AS ON 31<sup>ST</sup> MARCH, 2009**

Particulars	SCH	31/03/2009 Rs.	31/03/2008 Rs.
<b>1 INCOME</b>			
INCOME FROM OPERATION	H	3925800	7076692
OTHER INCOME		702511	2917250
	<b>TOTAL</b>	<u>4628311</u>	<u>9993942</u>
<b>2 EXPENDITURE</b>			
Administrative Expenses	I	1478413	1745490
Short Term Share Loss		1647261	0
	<b>TOTAL</b>	<u>3125674</u>	<u>1745490</u>
Profit Before Depreciation & Tax		1502637	8248452
Less: Depreciation		130829	184289
Profit After Depreciatoin but Before Tax		1371808	8064163
Less: Provision for Taxation		200000	1000000
Profit After Tax		1171808	7064163
Less : Lower Provision for Taxation		0	0
		<u>1171808</u>	<u>7064163</u>
Add: Balance Brought Forward		- 6471818	- 13535981
		<u>- 5300010</u>	<u>- 6471818</u>

Significant Accounting Policy &  
Note on Account

J

As per our attached audit report of even date and schedule thereto

For, **NIRANJAN JAIN & CO.**  
Chartered Accountants

Sd/-

**(Niranjan Jain)**  
Partner  
Mem. No 47811

Date : 02-09-2009  
Place : Ahmedabad

For & on behalf of Board  
For, Vax Housing Finance Corporation Ltd.

Sd/-

Managing Director

Sd/-

Director

Date : 02-09-2009  
Place : Ahmedabad


**SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS A/C**

Particulars	31/03/2009 Rs.	31/03/2008 Rs.
<b>SCHEDULE : "A" SHARE CAPITALS</b>		
<b>AUTHORISED CAPITAL:</b>		
55,00,000 Eq. Shares of Rs. 10/- each (Pre. Year 55,00,000 Eq. Share of 10/- Each)	5,50,00,000	5,50,00,000
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>		
50,03,200 Eq. Shares of Rs. 10/- each Full Paid Up	5,00,32,000	5,00,32,000
Total	<u>5,00,32,000</u>	<u>5,00,32,000</u>

**SCHEDULE : "B" FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on	Addition	Deduction	As on	As On	Depreciation	Adjustment	As On	As On	As On
	01/04/08			31/3/09	01-04-08			31-03-09	31/03/09	31/03/8
Furnitures	1465785	854800	2320585	0	786041	28217	814258	0		679744
Off. Building	1764310	1056200	2820510	0	581531	8746	590277	0	0	1182779
Flats	101098	0	101098	0	101098		101098	0	0	0
Vehicle	1427706	0	1427706	0	1116666	41247	1152913	0	0	316040
Pager	10390	0	10390	0	10390		10390	0	0	0
Air Condi.	352622	0	352622	0	167323	5094	172417	0	0	185299
Office Equipment	396803	0	0	396803	236964	28054	0	265018	131785	159839
Cycle	2000	0	0	2000	1231	190	0	1421	579	769
Ele. Installation	54070	0	54070	0	35174	1162	36336	0	0	18896
Machinery	74919	0	74919	0	36640	1082	37722	0	0	38279
Computer	105100	145600	0	250700	63060	17037	0	80097	170603	42040
Land at Bikaner										
<b>Total (A)</b>	<b>5754803</b>	<b>2056600</b>	<b>7161900</b>	<b>649503</b>	<b>3131118</b>	<b>130829</b>	<b>2915411</b>	<b>346536</b>	<b>302967</b>	<b>2623685</b>
Previous Year	6837553	1082750	0	5754803	2946829	184289	3131118	0	2623685	3890724

**SCHEDULE : "C" INVESTMENT**

Quoted Shares	0	0
Unquoted Shares	18244600	24236600
<b>TOTAL</b>	<u>18244600</u>	<u>24050000</u>

**SCHEDULE : "D" SUNDRY DEBTORS**

More than Six Months	0	0
Less than Six Months	140000	0
<b>TOTAL</b>	<u>140000</u>	<u>0</u>

**SCHEDULE : "E" CASH AND BANK BALANCES**

Cash in hand	168895	793056
Bank Balance with Schedules Bank	1857614	2064636
Ahmedabad Urban Bank (F.D.)	396396	396396
<b>TOTAL</b>	<u>2422905</u>	<u>3254088</u>



**SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS A/c.**

**Particulars** **31/03/2009** **31/03/2008**

**SCHEDULE - "F" LOAN & ADVANCES, DEPOSITES**

To Companies	8882510	3571923
To Deposit	30000	30000
To Others	20538086	30127149
TOTAL	<u>29450596</u>	<u>33729072</u>

**SCHEDULE - "G" CURRENT LIABILITIES & PROVISIONS**

Sundry Creditors	6907153	18074682
Provision for Exps.	1330000	730000
Other Current Liabilities	0	4021428
TOTAL	<u>8237153</u>	<u>22826110</u>

**SCHEDULE - "H" INCOME FROM OPERATION**

Subscription	1875775	1014371
Interest Received	884242	1002393
Dividend	0	4138
Share Trading Profit	0	4237000
Profit from Bikaner Office	0	4612
Insurance Business Income	1165783	814178
TOTAL	<u>3925800</u>	<u>7076692</u>



**SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS A/c.**

**Particulars** **31/03/2009** **31/03/2008**

**SCHEDULE - "I" ADMINISTRATIVE EXPENSES**

Audit fees	100000	15000
Advertisement Exps.	0	22683
Bank Charges	5146	86202
Bikaner office Exps.	155579	0
Insurance Business Exps.	618147	603316
Labour Charges	0	798975
Listing Charges	10000	0
Legal Exps.	55607	171507
Income Tax Paid	213236	0
Office Exps.	72110	0
Service Tax	0	262
Misc. Exps.	108588	1549
Rent , Rates & Taxes	0	45996
Salary & Staff Welfare	140000	0
	-----	-----
TOTAL	<b>1478413</b>	<b>1745490</b>
	=====	=====




**CASH FLOW STATEMENT**

Particulars	As At 31/03/2009 Amount (Rs)	As At 31/03/2008 Amount (Rs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit Before Tax & Extraordinary Item	1371808	8064163
Adjustment For :		
Depreciation and Amortisation	130829	184289
Preliminary Expenses w/o	0	0
Share issue Expenses w/o	0	0
Interest Received	-884242	-1002393
Profit from sale of land	-702511	-2917250
Dividend Received	0	-4138
	-84116	4324671
Adjustment For :		
Trade & Other Receivable	-140000	0
Increase in balance of Bikaner branch	134772	-4612
Inventories	0	0
Loans & Advance	4278476	-11110514
Current Liabilities & Provisions	-14588957	8426939
	-10399825	1636484
Income tax Paid	-200000	-1000000
<b>CASH GENERATED FROM OPERATIONS</b>	-10599825	636484
<b>NET CASH FROM INVESTING ACTIVITIES (A)</b>	-10599825	636484
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Received	884242	1002393
Dividend Received	0	4138
Purchase of Fixed Assets	-2056600	0
Sale of Fixed Assets	4949000	4000000
Purchase of Investments	0	-186600
Sale of Investments	5992000	0
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (B)</b>	9768642	4819931
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceed From issue Expences of Capital	0	0
Share Issue Expenses	0	0
Proceed from Long Term Borrowings	0	0
Repayment of Long Term Borrowings	0	-1813151
Proceed from Short Term Borrowings	0	0
Re payment of HP Financials Loans	0	0
Public Issue Exps./Preliminary Exps.	0	-934734
<b>NET CASH FLOW FROM FINANCE ACTIVITIES (C)</b>	0	-2747885
<b>NET INCREASE (DECREASE) IN CASH EQUIVALENTS</b>	-831183	2708530
<b>CASH &amp; CASH EQUIVALENTS-OPENING BALANCE</b>	3254088	545558
<b>CASH &amp; CASH EQUIVALENTS-CLOSING BALANCE</b>	2422905	3254088
	0	0

## VAX HOUSING FINANCE CORPORATION LIMITED

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For, **NIRANJAN JAIN & CO.**  
Chartered Accountants

Sd/-

**(Niranjan Jain)**  
Partner  
Mem. No 47811

Date : 02-09-2009  
Place : Ahmedabad

For & on behalf of Board  
For, Vax Housing Finance Corporation Ltd.

Sd/-

Sd/-

Managing Director

Director

Date : 02-09-2009  
Place : Ahmedabad

# VAX HOUSING FINANCE CORPORATION LIMITED



## PART OF SCHEDULE VI OF COMPANIES ACT, 1956 (AS AMENDED) BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

<b>A. Registration Details</b>	:	
Registration No.	:	L65910GJ1994PLC023147
State Code	:	04
Balance Sheet Date	:	31st March, 2009
<b>B. Capital Raised during the Year (Amount in Rs. Thousands)</b>		
Public issue	:	NIL
Rights issue	:	NIL
Bonus	:	NIL
Private Placement	:	NIL
<b>C. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)</b>		
Total Liabilities	:	50032.00
Total Assets	:	50032.00
<b>Sources of Funds</b>		
Paid-Up-Capital	:	50032.00
Reserves & Surplus	:	NIL
Secured Loans	:	NIL
Unsecured Loans	:	NIL
Diferred tax Liability	:	NIL
<b>Application of Funds</b>		
Net Fixed Assets	:	302.97
Net Current Assets	:	23776.35
Investments	:	18244.60
Misc. Expenditure	:	6234.74
Branch	:	1473.34
<b>D. Performance of Company (Amount in Rs. Thousands)</b>		
Turnover/income	:	4628.31
Total Expenditure	:	
Profit Before Tax	:	1371.81
Profit After Tax	:	1171.81
Earning per Share in Rs.	:	0.23
Dividend Rate %	:	NIL
<b>E. Generic Names of three principal Products/Services of Company (As per monetary terms)</b>		
Item Code No. (ITC Code)	:	N.A.
Product Description	:	
Item Code No. (ITC Code)	:	N.A.
Product Discription	:	
Item Code No. (ITC Code)	:	N.A.
Product Discription	:	

Place : Ahmedabad

Date : 02-09-2009

BOOK POST

IF NOT DELIVERED, PLEASE RETURN TO  
**VAX HOUSING FINANCE  
CORPORATION LIMITED**

301, Simandhar Estate,  
Opp. Sakar - III,  
Opp. Old High Court  
Ashram Road,  
Ahmedabad - 380 014

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FOTO SCREEN (M) : 9825355352