



**VAX HOUSING FINANCE CORPORATION LIMITED**

**COMPANY REGISTRATION NO: 04-023147**

**CIN NO: L52100GJ1994PLC023147**

## **26<sup>th</sup>ANNUAL REPORT 2019-2020**

**REGISTERED OFFICE:** 301, SIMANDHAR ESTATE,  
NR SAKAR-III, INCOME TAX,  
AHMEDABAD GUJARAT-380014

**E-MAIL:** [vax1994@yahoo.co.in](mailto:vax1994@yahoo.co.in)

### **NOTE TO THE SHAREHOLDERS**

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

**VAX HOUSING FINANCE CORPORATION LIMITED**

**TWENTY SIXTH ANNUAL GENERAL MEETING PROGRAMME**

DATE : 27<sup>th</sup> SEPTEMBER 2020  
DAY : SUNDAY  
TIME : 03.00 P.M.  
VENUE : Radisson Blu, Near Panchvati Cross  
Roads, Ellisbridge, Ahmedabad:  
380 006, Gujarat, India

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**VAX HOUSING FINANCE CORPORATION LIMITED**

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**BOARD OF DIRECTORS**

KAILASH GANGASAHAY GUPTA	Managing Director
VIJAYSINGH NANUSINGH RATHORE	Managing Director
SATISH CHAND	Independent Director
JOSHI JULIE PARESHBHAI	Independent Director
NILESH ARVINDKUMAR SHAH	Independent Director

**SECRETARIAL AUDITORS**

M/s Kamlesh M. Shah & Co.,  
Company Secretaries,  
801 – A, Mahalay  
Building, Opp. Hotel  
President,  
Off. C.G. Road, Ahmedabad –  
380 009

**BANKERS OF THE COMPANY**

BANK OF BARODA  
SARVODAYA COMM. CO-OPERATIVE BANK

**STATUTORY AUDITORS**

M/S Bhavin M Shah & Associates  
Chartered Accountants  
Ahmedabad

**LISTING**

**AT**

**MUMBAI**

The BSE Limited,  
P.J. Towers,  
Dalal Street,  
Fort, Mumbai  
400 001

**REGISTERED OFFICE**

301, SIMANDHAR  
ESTATE, NR SAKAR-III,  
INCOME TAX,  
AHMEDABAD GUJARAT-380014

**COMPLIANCE**

**OFFICER Shri Kailash G**

**Gupta**

301, SIMANDHAR  
ESTATE, NR SAKAR-III,  
INCOME TAX,  
AHMEDABAD GUJARAT-380014

**VAX HOUSING FINANCE CORPORATION LIMITED**

**CIN: L65910GJ1993PLC020169**

**NOTICE**

NOTICE is hereby given to the Members of the **VAX HOUSING FINANCE CORPORATION LIMITED** that 26<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Sunday the 27th September, 2020, at 03:00 P.M. at Radisson Blu, Near Panchvati Cross Roads, Ellisbridge, Ahmedabad: 380 006, Gujarat, India to transact the following business :

**ORDINARY BUSINESS**

**(1)** To Receive, Consider, Approve and Adopt the Audited Statement of Accounts i.e. The Audited Balance Sheet as at 31/03/2020, the Profit & Loss Account for the year ended on that date, Cash Flow Statement for the year ended on that date and the Report of the Auditors and Directors thereon.

**(2)** Subject to Ratification by the members in general meeting, to confirm the appointment of Statutory Auditors of Company M/s. Bhavin M. Shah & Associates, Chartered Accountants Firm Registration No. 144046W who is appointed up to Financial years 2023-24, be and is hereby re-appointed for the financial year 2020-2021 and to authorize the Board to fix their remuneration.

**DATE: 03<sup>rd</sup> September, 2020**  
**PLACE: AHMEDABAD.**

**BY ORDER OF THE BOARD OF DIRECTORS  
OF VAX HOUSING FINANCE CORPORATION LIMITED  
SD/-  
(VIJAYSINGH RATHORE)  
CHAIRMAN AND MANAGING DIRECTOR  
(DIN: 00283820)**

**The Register of Members of the Company will remain closed from 21/09/2020 TO 27/09/2020 (both days inclusive)**

**NOTES:**

- 1) A Member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote and that a proxy need not be a member of the company.
- 2) Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, Trusts, etc., must be backed by appropriate resolution / authority as applicable, issued on behalf of the nominating organization.
- 3) **A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.** A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 4) The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 21st September, 2020 to Sunday, 27th September, 2020 (both days inclusive) as per the provisions of the Companies Act 2013 and the provisions of the SEBI (LODR), 2015.
- 5) Members desiring any information on accounts are requested to write to the Company 7 days before the meeting to enable the management to keep the information ready Shareholders holding shares in physical form are requested to advise any change of address immediately to Company's Registrar and Share Transfer Agent, LINK INTIME INDIA (P) LIMITED. Shareholders holding shares in electronic form must advise to their respective depository participants about change in address and not to company.
- 6) All shareholders are requested to dematerialize their shareholding immediately as the shares are traded compulsorily in demat segment only.
- 7) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- 8) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company
- 9) The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2020 is uploaded on the Company's website [www.vaxhousing.com](http://www.vaxhousing.com) and may be accessed by the members.

10) Electronic copy of the Annual Report for 2019-2020 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2019-2020 is being sent in the permitted mode.

11) Electronic copy of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

12) Shri Kamlesh. M. Shah, Practicing Company Secretary, (Membership No. A8356 and COP No. 2072) (Address: 801-A, Mahalay Complex, Opp: Hotel President, B/h. Fair deal House, Swastik Cross Roads, Navrangpura, Ahmedabad: 380 009, Gujarat, India,) has been appointed as the Scrutinizer to scrutinize the process in a fair and transparent manner.

13) However as pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 read with Reg. 44 of the SEBI (LODR), 2015, the Company has not yet Signed Agreement with any of the Depositories for providing E-Voting Facilities to the Shareholders of the Company and thus Company has not provided the E-voting Facilities From 22nd Annual General Meeting (AGM).

## Route Map of the AGM Venue



**VAX HOUSING FINANCE CORPORATION LIMITED**

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**DIRECTORS' REPORT**

To,  
The Members,  
**VAX HOUSING FINANCE CORPORATION LIMITED.**

Dear Shareholders,

Your Directors have pleasure in presenting herewith the 26<sup>th</sup> Audited Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2020.

**FINANCIAL HIGHLIGHTS**

During the financial year 2018-19, the financial operational result of the Company is as follows:  
**(Amount in Rs)**

<b>Particulars</b>	<b>For the year ended on 31st March, 2020</b>	<b>For the year ended on 31st March, 2019</b>
Total Income.	509891	477000
Total Expenses.	435712	427344
Exceptional Items	-	-
Profit Before Tax.	74179	49656
Depreciation.	60464	81930
Tax expense	51091	15000
Differed Tax (Assets) Liability.	(1799)	(1748)
Fringe Benefit Tax	NIL	NIL
Excess Provision of IT Written Back	NIL	NIL
Net Profit/(Loss) for the Year	21289	36404

**SHARE CAPITAL STRUCTURE**

There was no change in Number of shares and value of shares in the Authorized, Issued, Subscribed and Paid up Share Capital Structure of the Company.

**DIVIDEND**

During the year under review the directors have not recommended any Dividend to be paid in order to strengthen the long-term resources of the Company.

**TRANSFER OF UNPAID/UNCLAIMED DIVIDEND**

The Company does not have any amount of Unpaid/Unclaimed Dividend which is required to be transferred to the Investors Education & Protection fund. There are no other statutory amount like outstanding unpaid Refund Amount on Share Applications, unpaid interests or principal of Deposits and Debentures etc. lying with the company which are required to be transferred to Investors Education and Protection Fund.

### **YEAR UNDER REVIEW**

During the year under review your company had earned a total income of Rs. 5,09,891 /- (Previous Year Rs. 4,77,000/-). After meeting with the day to day and total expenses of Rs. 4,35,712 /- (Previous year of Rs. 4,27,344/-), Fringe Benefit Tax of Rs. NIL (Previous year Rs. NIL /-) the company has earned a net Profit for the year of Rs. 21,289/- (Previous year Net Profit of Rs. 36,404/-).

### **BUY BACK OF SHARE CAPITAL**

The Company had not made any Buy Back of its paid up equity shares during the year in terms of section 77A, 77AA and 77B of the Companies Act 2013. Hence no specific disclosure is required to be made in this report

### **DETAILS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186 OF THE COMPANIES ACT, 2013**

During the year under review the Company has not made any inter corporate loans, investments, given any corporate guarantee to any other body corporate, subsidiary, associate or any other company.

### **DEPOSITS**

During the year under review your company has neither invited nor accepted any public deposit or deposits from the public as defined under section 73(1) of Companies Act 2013.

### **COMPLIANCE TO CODE OF CORPORATE GOVERNANCE:**

The Complete Report on Corporate Governance is given separately after this report which is forming part of this report.

### **DEMATERIALISATION OF SECURITIES:**

Your Company's Equity shares are admitted in the System of Dematerialization by both the Depositories namely NSDL and CDSL. The Company has signed tripartite Agreement through Registrar and Share Transfer Agent LINK INTIME INDIA (P) LIMITED. The Investors are advised to take advantage of timely dematerialization of their securities. The ISIN allotted to your Company is INE 474 H 01014. Total Share dematerialized up to 31st March 2019 were **11287080** which **constitute 94.03% of total capital**. Your Directors request all the shareholders to dematerialize their shareholding in the company as early as possible.

***M/s. Link In Time India Private Limited have intimated to the company that they have unilaterally terminated the services as RTA for the Company due to non payment of their dues in time. They have also stopped providing RTA/ STA Services w.e.f. 31<sup>st</sup> March 2016 onwards. As a result the Company is not receiving the latest updated data of the shareholders since then from RTA/STA***

***The Company is in talks with said RTA/ STA for settlement of their dues amicably. The Management is of the view that the company will be able to restore the services as soon as possible.***



**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management's discussion and perceptions on existing business, future outlook of the industry, future expansion and diversification plans of the Company and future course of action for the development of the Company are fully explained in a separate Para in Corporate Governance Report.

**DIRECTORS:**

Mr. Kailash G Gupta, Mr Vijaysingh N Rathod, and Mr. Satish Chand are disqualified u/s. 164(2) of the Companies Act 2013. Their DIN Numbers are De-activated by the Ministry of Corporate Affairs. Mr. Nilesh A Shah and Ms. Jully Joshi are independent Directors not liable to retire by rotation as per the provisions of Companies Act and the SEBI (LODR) 2015. In view of the above, No Directors shall retire by rotation at the ensuing Annual General Meeting.

**Formation of Audit Committee in Compliance to Section 177 of the Companies Act, 2013 and Regulation 27 of the SEBI (LODR), 2015 on Corporate Governance**

In Compliance with the provisions of Section 177 of the Companies Act 2013 your company has formed an Audit Committee within the Organization consisting of 3 independent directors. No Internal Auditors have been appointed in the Company. The area of operations and functional responsibilities assigned to the committee are as per the guidelines provided in SEBI (LODR), 2015 for implementation of code of corporate governance. The Committee meets at least once in a quarter and gives its report of each meeting to the Board for its approval, record and information purposes. The detail of powers, responsibilities and system of functioning of this committee is given in report on Corporate Governance forming part of this report.

**STATUTORY INFORMATION**

The Information required to be disclosed in the report of the Board of Directors as per the provisions of Section 134 of the Companies Act-2013 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 regarding the conservation of energy; technology absorption, foreign exchange earnings and outgo are not applicable to the company as Company is not manufacturing any product or providing any services. There was no foreign exchange earnings and outgo within the company during the year under review.

**EMPLOYEES**

There are no employees of the company who were in receipt of the remuneration of Rs.1.5 Cr. in the aggregate if employed for the year and in receipt of the monthly remuneration of Rs. 8,00,000/- in the aggregate if employed for a part of the year under review. Hence the information required under Section 197 of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended being not applicable is not given in this report.

**DECLARATION BY INDEPENDENT DIRECTORS:**

**(Pursuant to Provisions of section 149(6) OF the Companies Act 2013)**

All the Independent Directors of the Company do hereby declare that:

- (1) All the Independent Directors of the Company are neither Managing Director, nor a Whole Time Director nor a Manager or a Nominee Director.
- (2) All the Independent Directors in the opinion of the Board are persons of integrity and possesses relevant expertise and experience.

- (3) Who are or were not a Promoter of the Company or its Holding or subsidiary or associate company.
- (4) Who are or were not related to promoters or directors in the company, its holding, subsidiary or associate company.
- (5) Who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year.
- (6) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary, or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakhs rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year,
- (7) Who neither himself, nor any of his relatives,
  - (a) Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of three financial years immediately preceding the financial year in which he is proposed to be appointed.
  - (b) Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial years in which he is proposed to be appointed of
    - (i) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; OR
    - (ii) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent, or more of the gross turnover of such firm;
    - (iii) Holds together with his relatives two per cent, or more of the total voting power of the company; OR
    - (iv) Is a Chief Executive or director, by whatever name called, or any non-profit organization that receives twenty five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; OR
    - (v) Who possesses such other qualifications as may be prescribed.
- (8) ***HOWEVER ALL THE INDEPENDENT DIRECTORS HAVE YET TO GET REGISTRATION AS AN INDEPENDENT DIRECTORS ON THE WEBSITE OF THE INDIAN INSTITUTE OF CORPORATE AFFAIRS AND PASS NECESSARY EXAMINATION TO BE QUALIFIED AS AN INDEPENDENT DIRECTOR. THE MCA HAS EXTENDED THIS DATE UP TO 30<sup>TH</sup> SEPTEMBER 2020 FOR REGISTRATION AND PASSING OF THE EXAMINATION.***

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of section 134 Clause (C) of Sub-Section (3) of the Companies Act, 2013, in relation to financial statements for the year 2018-19, the Board of Directors state:

- a) In the preparation of the annual accounts for the financial year ended 31st March 2017, as far as possible and to the extent, if any, accounting standards mentioned by the auditors in their report as not complied with, all other applicable accounting standards have been followed along with proper explanation relating to material departure;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments 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 profit and loss account of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis; and

- e) The directors in the case of a listed company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DECLARATION BY BOARD AS PER REQUIREMENT OF SECTION 178 (1)**

In compliance with Section 178 (1) as also in compliance with Clause 49 of the Listing Agreement, the Board of Directors do hereby declare that:

- a. The Company does not have proper constitution of the Board of Directors including independent directors in proportion as per requirement of SEBI (LODR), 2015. However, the Company is still in process for appointing a suitable person as Independent director as required under Section 149 of the Companies Act, 2013.
- b. The Company has constituted Nomination and Remuneration Committee, Stakeholders Relationship Committee, Audit Committee as per requirements of the SEBI (LODR), 2015 and provisions of the Companies Act 2013.
- c. The Company has the policy for selection and appointment of independent directors who are persons of reputation in the society, have adequate educational qualification, sufficient business experience and have integrity & loyalty towards their duties.
- d. The Company does not pay any managerial remuneration to its Managing/Whole Time Directors based upon their qualification, experience and past remuneration received by them from their previous employers and company's financial position.
- e. The Independent Directors are not paid sitting fee for attending Board and other committee meetings as decided by the Board from time to time. This sitting fee is decided considering the financial position of the company.
- f. The Company is not paying any commission on net profits to any directors.
- g. During the year the Board has met 5 times during the year. The details of dates of the Board meetings and the presence of every director at each meeting of the Board including the meetings of the Committees, if any, are given in the reports of the Corporate Governance.

**SYSTEM OF PERFORMANCE EVALUATION OF THE BOARD, INDEPENDENT DIRECTORS AND COMMITTEES AND INDIVIDUAL DIRECTORS**

- 1. The Board makes evaluation of the effectiveness and efficiency of every individual director, committee of directors, independent directors and board as a whole.
- 2. For these purpose the Board makes evaluation twice in a year on a half yearly basis.
- 3. The performance of individual directors are evaluated by the entire Board, excluding the Director being evaluated on the basis of presence of every directors at a meeting, effective participation in discussion of each of the business of agenda for the meetings, feedback receives from every directors on draft of the minutes and follow up for action taken reports from first line management.
- 4. Effectiveness and performance of various committees are evaluated on the basis of the scope of work assign to each of the committees the action taken by the committees are reviews and evaluated on the basis of minutes and agenda papers for each of the committee meetings.
- 5. The performance of independent directors are evaluated on the basis of their participation at the meetings and post meeting follow up and communication from each of such independent directors.

## **AUDITORS**

### **STATUTORY AUDITOR**

M/S. BHAVIN M SHAH & ASSOCIATES Statutory Auditors of the company have given their letter of consent and confirmation under provisions of Section 139(1) of Companies Act, 2013 read with Rule 4 and 6 of The Companies (Audit and Auditors) Rules, 2014 (Section 224(1B) of the Companies Act, 1956) for Appointment as Statutory Auditors of the Company for the Next Five Years. Necessary Resolution making their appointment as the Statutory Auditors and fixing their remuneration is proposed to be passed at the Annual General Meeting.

### **INTERNAL AUDITORS**

The company is in process of appointing an independent Chartered Accountant to act as an Internal Auditor as per suggestion of auditors in order to strengthen the internal control system for the Company. However, as in the company during the previous financial year, there were no much financial transactions or trading business activities, looking to the size of the company and its business operations and transactions, the matter is being discussed with the statutory auditors on making of compliance with this requirements.

### **SECRETARIAL AUDITOR**

The Company has appointed M/s. KAMLESH M SHAH & SHAH CO. as the secretarial auditor for the financial year 2018-2019. They have given their report in the prescribed form MR-3 which is annexed to this report as an ANNEXURE.

### **OBSERVATION OF THE SECRETARIAL AUDITOR**

- I. The Status of the Company on MCA Portal is ACTIVE-NON COMPLIANT.**
- II. The Company has yet not filed form INC-22A in the office of the ROC.**
- III. *The Chief Financial Officer ,CFO, Internal Auditors and Company Secretary are yet to be appointed as per requirement of Section 196,197,203(1) read with rule 8 of Companies (Appointment and remuneration of Managerial Personnel) rules 2014.***
- IV. *The Company has not filled Annual Return and Balance Sheet with Registrar of Companies for some of the previous financial years as per records of the MCA Website.***
- V. *The Company has not paid the Annual listing Fees for the year 2018-2019 and various other arrears in the form of penalty imposed by stock exchange for non compliance of the SEBI (LODR) Regulations.***
- VI. *The Company has not given the Facility of E-voting to its shareholders for any of the Annual General Meeting and also Company has not submitted the Scrutinizers Report of the any of the Annual General Meeting to the Stock Exchange for Postal Ballot/ E.voting Facilities.***
- VII. *Though the Board of Directors are disqualified Under Section 164 of Companies Act, 2013 except Mrs. Julie P. Joshi and Nilesh A Shah. However Mr. Vijaysingh Rahore and Mr. Kailash Gupta have signed the Auted Financial Statements even though they are Disqualified Except Mrs. Julie P. Joshi and Nilesh A Shah.***

**VI The Company is not maintaining its website as per requirements of the SEBI (LODR) 2015.**

**VII) Link in Time India Private Limited with whom the company had signed Bi-party and Tripartiet Agreements for providing RTA/ STA Services have stopped providing the services due to non-payment of their dues w.e.f. 31<sup>st</sup> March 2016. In view of this the RTA/ STA are not providing the Updated Register of Members and Share Transfer Register to the Company. The Company is no process of restoration of the services of RTA/ STA and also to clear the financial dues of RTA/ STA.**

**VII The Company has not paid the Annual Listing Fees of the BSE Ltd for several years and long outstanding payment is due of the stock exchange. The Company has also not paid the Annual Custody charges of the NSDL and CDSL. As a result the Company or its RTA/STA is not receiving any DATA of the Shareholders from them.**

**MANAGEMENT PERCEPTION ON OBSERVATIONS OF THE SECRETARIAL AUDITORS:**

The Company is facing a server fund crunch, as a result the company's financial conditions and business operations are also reducing and affected. The CFO, Company Secretary, Internal Auditors being Chartered Accountants are not easily available at the professional fees/ salary affordable to the Company. Even though, the company and its management are making all out steps to make compliance with this provisions at the earliest possible time.

**AUDITORS OBSERVATION**

There are no adverse observations made by the Auditors in their report. However notes to the Accounts to itself are clarificatory and self-explanatory in the nature.

**APPOINTMENT OF COST AUDITORS:**

As the company is not engaged in any manufacturing activities, it is not required to get its financial and other business operations audited by a cost auditor.

**MATERIAL CHANGES / INFORMATION:**

1. No material changes have taken place after the closure of the financial year up to the date of this report which may have substantial effect on the business and financial of the Company.
2. The Bombay stock exchange has passed some of the orders pursuant to powers granted to it by SEBI for non-compliance/ late compliance with the Listing Agreement clauses through e-mail. Total approximate penalty imposed on the company are more than 10.00 lacs. The Management is taking all possible steps to make necessary arrangement for making good these liabilities. Except this, no significant and material orders have been passed by any of the regulators or courts or tribunals impacting the going concern status and companies operations in future.

**SEXUAL HARASSMENT OF WOMEN AT WORK PLACE:**

The Company does not have any female employees in the company except the woman director Ms. July Joshi. Hence, there were no events during the year under review relating to sexual harassment of the women employees at the work place. Further there are no Child Labour employed in the company and harassment of Child labour.

**APPRECIATION**

Your Directors place on record their sincere appreciation for the valuable support and co-operation as received from government authorities, Financial Institutions and Banks during the year. The Directors are also thankful for the support extended by Customers, Suppliers and contribution made by the employees at all level. The Directors would also like to acknowledge continued patronage extended by Company's shareholders in its entire endeavor.

**DATE : 03<sup>rd</sup> September,2020**

**ON BEHALF OF THE BOARD OF DIRECTORS**

**PLACE: AHMEDABAD.**

**OF VAX HOUSING FINANCE CORPORATION LIMITED**

**SD/-  
(VIJAYSINGH RATHORE)  
CHAIRMAN AND MANAGING DIRECTOR  
(DIN: 00283820)**

**ANNEXURE – I TO THE DIRECTOR’S REPORT**

**FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDING ON  
31/03/2020**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

1.	CIN	<b>L52100GJ1994PLC023147</b>
2.	Registration Date	28/09/1994
3.	Name of the Company	VAX HOUSING FINANCE CORPORATION LIMITED
4.	Category / Sub-Category of the Company	Public Company- Limited by Shares/ Indian Non Government Company
5.	Address of the Registered office	301, SIMANDHAR ESTATE, NR SAKAR-III, INCOMETAX, Ahmedabad- 380014, Gujarat
6.	Whether listed company Yes / No	Yes Bombay Stock Exchange
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	<b>LINK INTIME INDIA (P) LIMITED</b> 211, Sudarshan Complex, Near Mithakhali Under Bridge, Navrangpura, Ahmedabad-380009

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

SR. No.	Name and descriptions main products/service	NIC Code of the product/Service	% to Total turnover o the company
1	NIL	NIL	NIL

**PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –**

SR. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	CONCERN	% of shares held by COMPANY	APPLICABLE SECTION

NIL	NIL	NIL	NIL	NIL	NIL
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**II. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter's</b>									
<b>(1) Indian</b>									
a) Individual/HUF	165572	0	165572	1.38	165572	0	165572	1.38	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (1)</b>	<b>165572</b>	<b>0</b>	<b>165572</b>	<b>1.38</b>	<b>165572</b>	<b>0</b>	<b>165572</b>	<b>1.38</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRI- Individual	0	0	0	0	0	0	0	0	0
b) Other Individual	0	0	0	0	0	0	0	0	0
c) Bodies Corp	0	0	0	0	0	0	0	0	0
d) Banks. FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>165572</b>	<b>0</b>	<b>165572</b>	<b>1.38</b>	<b>165572</b>	<b>0</b>	<b>165572</b>	<b>1.38</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Ventur Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0



**Sub-total (B)(1):- 0 0 0 0 0 0 0 0 0**

<b>2. Non-Institution</b>									
a) Bodies Corp.	3857598	0	3857598	32.14	3857598	0	3857598	32.14	-
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	810496	746120	1556616	12.97	810496	746120	1556616	12.97	0
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	6229305	0	6229305	51.90	6229305	0	6229305	51.90	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	1340	0	1340	0.01		0			
Overseas Corporat Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	
Clearing Members	192769	0	192769	1.61		0			
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>11091508</b>	<b>746120</b>	<b>11837628</b>	<b>98.62</b>	<b>11091508</b>	<b>746120</b>	<b>11837628</b>	<b>98.62</b>	
Total Public Shareholding (B)=(B)(1)+ (B)(2)	<b>11091508</b>	<b>746120</b>	<b>11837628</b>	<b>98.62</b>	<b>11091508</b>	<b>746120</b>	<b>11837628</b>	<b>98.62</b>	
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>11257080</b>	<b>746120</b>	<b>12003200</b>	<b>100</b>	<b>11257080</b>	<b>746120</b>	<b>12003200</b>	<b>100</b>	<b>0</b>

**(ii) Shareholding of promoters**

N	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of th company	%of Shares Pledged / encumbered to total share	No. of Shares	% of total Shares of th company	%of Shares Pledged / encumbered to total shares	
1	Kailash G. Gupta	10274	0.09	0	10274	0.09	0	0
2	VijaySingh Rathore	96650	0.81	0	96650	0.81	0	0
3	Bharti Gupta	5061	0.04	0	5061	0.04	0	0
4	Namichand G Agrawal	42427	0.35	0	42427	0.35	0	
5	Saroj Rathore	4510	0.04	0	4510	0.04	0	0
6	Vishnukumar G Gupta	6650	0.06	0	650	0.06	0	0
	<b>Total</b>	<b>165572</b>	<b>1.38</b>	<b>0</b>	<b>165572</b>	<b>1.38</b>	<b>0</b>	<b>0</b>

**(iii) Change in Promoter's Shareholding (Please Specify, if there is No Change)**

**(iv) Shareholding pattern of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs)**

SN	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Subhakaran T. Agarwal	1380100	11.50	1380100	11.50
2	Mayur Pulses Pvt. Ltd.	1200000	10	1200000	10
3	Air Travel Services Pvt. Ltd.	1100000	9.16	1100000	9.16
4	The Billion Investments Pvt. Ltd.	1100000	9.16	1100000	9.16
5	Suburban Cooling Towers Pvt. Ltd.	700000	5.83	700000	5.83
6	Array Enterprises Pvt. Ltd.	300000	2.50	300000	2.50
7	Bhavsar Enterprises Pvt. Ltd.	300000	2.50	300000	2.50
8	Ilaben J. Thakkar	224000	1.87	265000	2.21
9	Jagdishkumar T Thakkar	214000	1.78	265000	2.21
10	Snehaben S Thakkar	180000	1.50	180000	1.50
11	Suresh N Thakkar	180000	1.50	180000	1.50
12	Thakar Sureshkumar Naranbhai (HUF)	180000	1.50	180000	1.50

**(v) Shareholding of directors and key managerial personnel:**

1	Kailash G Gupta	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	10532	0.09	10274	0.09
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	Decrease (Transfer)	0
	At the end of the year	10532	0.09	10274	0.09

2	VijaySingh Rathore, Managing Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	96650	0.80	96650	0.80
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the end of the year	96650	0.80	96650	0.80

3	Julie Joshi, Independent Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	8665	0.013	8665	0.013
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the end of the year	8665	0.013	8665	0.013

4	Nilesh Shah, Additional Independent Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	27689	0.23	27689	0.23
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the end of the year	27689	0.23	27689	0.23

**(VI) INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>		<b>NIL</b>		
* Addition				
* Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD / -Manager	Total Amount
		Kailash G Gupta	NIL
		VijaySingh Rathore	NIL
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-

4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	Total (A)	-	-

**B. Remuneration to other directors: (NOT APPLICABLE)**

*Directors are not paid any remuneration*

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		<b>NIL</b>				
1	Independent Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS (Not Appointed)	CFO/CEO (Not Appointed)	Total
1	Gross salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			

	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	-	-	-

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
------	------------------------------	-------------------	---	-------------------------------	------------------------------------

**A. COMPANY**

Penalty	No	No	No	No	No
punishment	No	No	No	No	No
compounding	No	No	No	No	No

**B. DIRECTORS**

Penalty	No	No	No	No	No
punishment	No	No	No	No	No
compounding	No	No	No	No	No

**C. OTHER OFFICERS IN DEFAULT**

Penalty	No	No	No	No	No
punishment	No	No	No	No	No
compounding	No	No	No	No	No

## **ANNEXURE – II TO THE DIRECTORS REPORT**

### **FORM NO. MR-3 SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration of Key Managerial Personnel) Rules, 2014]

To,

The Members,

**VAX HOUSING FINANCE CORPORATION LIMITED**

**CIN: L52100GJ1994PLC023147**

I/we have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VAX HOUSING FINANCE CORPORATION LIMITED**. (Hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the records of **VAX HOUSING FINANCE CORPORATION LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31<sup>ST</sup> March 2018 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliances mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/We have examined the books, papers, minute books, forms and returns filed and record maintained by **VAX HOUSING FINANCE CORPORATION LIMITED (CIN:L52100GJ1994PLC023147)** for the Financial year ended on 31.03.2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

- (1) The Register of Members and Share Transfer Books of the Company are not updated by the Company or its RTA/STA.***
  - (2) No Inter corporate Loans or Investment Registers are maintained by the Company.***
  - (3) The Company has not appointed CFO and CS as the KMP.***
  - (4) The Company's 3 out of 5 Directors are disqualified u/s. 164(2) of the Companies Act 2013 and their DIN Numbers are De-activated/ Cancelled by the Ministry of Corporate Affairs.***
  - (5) Mr. Vijaysingh N Rathod, Chairman and MD and Mr. Kailash G Gupta, Managing Director thought disqualified u/s 164(2) have signed the Audited Financial Statements.***
  - (6) The Company has not appointed Internal Auditors as per Requirements of Section 139 read with Rule 13 of the Companies (Accounts) Rules 2014.***
  - (7) The Company has not filed with the Office of Registrar of Companies, the Audited Financial statements and the Annual Returns in prescribed formats of some of the previous financial years as per records of the MCA Website.***
  - (8) The Company has not given the Facility of E-voting to its shareholders for any of the Annual General Meeting and also Company has not submitted the Scrutinizers Report of the any of the Annual General Meeting to the Stock Exchange for Postal Ballot/ E.voting Facilities.***
-

(9) **HOWEVER ALL THE INDEPENDENT DIRECTORS HAVE YET TO GET REGISTRATION AS INDEPENDENT DIRECTORS ON THE WEBSITE OF THE INDIAN INSTITUTE OF CORPORATE AFFAIRS AND PASS NECESSARY EXAMINATION TO BE QUALIFIED AS AN INDEPENDENT DIRECTOR. THE MCA HAS EXTENDED THIS DATE UP TO 30<sup>TH</sup> SEPTEMBER 2020 FOR REGISTRATION AND PASSING OF THE EXAMINATION.**

(ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made thereunder; **except our observation for non compliance with the SEBI (LODR) 2015.**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **Except that the Company has not paid the Dues (Annual Custody Fees) of NSDL and CDSL for several financial year as result they have stopped providing BENPOS date to the Company and the RTA/**

(iv) Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **NOT APPLICABLE FOR THE YEAR.**

(v) The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011; **NOT APPLICABLE FOR THE YEAR except the Annual Disclosure of shareholding to be made by Promoters/ Directors which is not made to Stock Exchange by the respective promoters/ directors.**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; NOT APPLICABLE TO THE COMPANY FOR THE YEAR.

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 NOT APPLICABLE TO THE COMPANY FOR THE YEAR

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; NOT APPLICABLE TO THE COMPANY FOR THE YEAR

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; NOT APPLICABLE TO THE COMPANY FOR THE YEAR.

(f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

**Link in Time India Private Limited with whom the company had signed Bi-party and Tripartite Agreements for providing RTA/ STA Services have stopped providing the services due to non-payment of their dues w.e.f. 31<sup>st</sup> March 2016. In view of this the RTA/ STA are not providing the Updated Register of Members and Share Transfer Register to the Company. The Company is no process of restoration of the services of RTA/ STA and also to clear the financial dues of RTA/ STA.**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 NOT APPLICABLE TO THE COMPANY FOR THE YEAR.

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; NOT APPLICABLE TO THE COMPANY FOR THE YEAR.

(l) SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

**(i) The Company has not paid the Annual Listing Fees of the Stock Exchange BSE Ltd for several financial year.**

**(j) The Company has also not paid the Penalties for Non Compliance of the various Regulations of the SEBI (LODR) 2015.**



- (vi) As stated in the **Annexure – A** – all the laws, rules, regulations are applicable specifically to the company.

I/We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India mandatory right now is also complied.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchanges.

During the period under review the Company has **partly** complied with the provision of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to our observations at the relevant clauses.

**I/We further report that**

The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non Executives Directors, Independent Directors and appointment of KMP.

There was no Changes in the constitution of the Board of Director or KMP. No Documents for any such changes are required and not filed in the office of the ROC. , Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

***Though the Board meetings are scheduled, all the directors are attending the meetings, but 3 directors are disqualified under section 164(2) and their DIN Numbers are de-activated by the MCA. The Disqualified directors have also participated in the Board meetings.***

**I/We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines to the extent possible, ***Except our observations at some of the Provisions of the Companies Act 2013 and the rules and regulations ramed thereunder and the SEBI (LODR) as mentioned elsewhere in this report.***

**I/We further report that** during the audit period the company has not made any

- (I) Public/ Right/Preferential issue of shares/ debentures/sweat equity, etc.
- (II) Redemption/ buy-back of securities
- (III) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013 (IV) Merger/ amalgamation/reconstruction etc.
- (V) Foreign technical collaborations

26th Annual Report of the Company  
For the Year 2019-2020

Place: Ahmedabad  
Date: 21<sup>st</sup> AUGUST, 2020

**FOR KAMLESH M. SHAH & CO.,  
PRACTICING COMPANY SECRETARIES**

**Sd/-  
(Kamlesh M. Shah)  
ACS: 8356, COP: 2072  
UDIN: A008356B000604050**



## ANNEXURE-A

### **Securities Laws**

1. All Price Sensitive Information was informed to the stock exchanges from time to time **except late submission of Unaudited/ Audited quarterly financial results and compliances submitted to BSE on belated basis. No trading in shares by the Promoters/ Directors/ KMP or their Relatives and other related insider persons in the shares of the company on the stock exchange observed.**
2. All investors complain directly received by the RTA and Company is recorded on the same date of receipts and all are resolved within reasonable time.

### **Labour Laws**

1. All the premises and establishments are been registered with the appropriate authorities.
2. The Company has not employed any child labour/ Bonded labour in any of its establishments.
3. Provisions with relate to compliances of PF/ESI/Gratuity Act are not applicable to Company.

### **RBI / NHB Regulations**

The Company has not submitted its Financial Statements, Undertakings, Board Resolutions etc. to Reserve Bank of India / National Housing Bank as per their requirements during the year under review as per the Reserve Bank of India Act, 1934. **The Company has not even 50% of revenue from Non-Banking Financial Companies (NBFC) activities and 50% NBFC asset. The Company has started its business of trading division for dealing in textile, garments goods business also. We are unable to comment upon the eligibility of the company to do this additional business activities as we are not provided with supporting documents if any filed in past with the Office of the Registrar of Companies. The RBI has cancelled the Registration of the Company as NBFC. The Company has not taken any steps against the order of RBI.**

### **Environmental Laws**

AS the company is not engaged in the manufacturing activities so the Environmental laws are not applicable to the company.

### **Taxation Laws**

The company follows all the provisions of the taxation and Income Tax Act, 1961 and filing the returns at proper time with Income tax department and all other necessary departments. We have relied upon the comments/ observation of the Statutory Financial Auditors and representation of the Management on this issue.

Place: Ahmedabad  
Date: 21<sup>st</sup> AUGUST, 2020

FOR KAMLESH M. SHAH & CO.,  
PRACTICING COMPANY SECRETARIES

Sd/-  
(Kamlesh M. Shah)  
ACS: 8356, COP: 2072  
UDIN: A008356B000604050

**REPORT ON CORPORATE GOVERNANCE**

**MANAGEMENT PERCEPTION ON CORPORATE GOVERNANCE**

The company believes that good Corporate Governance practices enable the Board to direct and control the affairs of the company in an efficient manner. Your Company conducts its affairs in a fair, transparent and professional manner. As such, the company steps to put in place the system of Corporate Governance as per the guidelines provided in Regulations of SEBI (LODR), 2015. Further with the formation of the various committees within the organizations, the company also complies with various provisions of the Companies Act, 2013 as well as SEBI and Stock Exchange requirements. As per the norms prescribed under SEBI (LODR), 2015 being applicable to the company and in compliance to Section 177 of Companies Act, 2013, the company had complied with the code of corporate governance on 31<sup>st</sup> March, 2019.

**Board of Directors**

As on 31<sup>st</sup> March 2020, the composition of the Board of Directors is shown as below. The Chairman is a non-executive Director and hence the composition of Independent Director is more than 50% comprising of non-executive independent directors.

Name of the Director	Designation	Type	Executive / Non-Executive
Mr. Kailash G Gupta	Managing Director	Promoter Director	Executive
Mr. VijaySingh Rathore	Managing Director	Promoter Director	Executive
Mr. Satish Chand	Director	Independent Director	Non-Executive
Mr. Nilesh A. Shah	Director	Independent Director	Non- Executive
Ms. Julie P. Joshi	Director Designated as Woman Director	Independent Director	Non- Executive

**BOARD MEETINGS**

During the year under review, 5 Board Meetings were held on 30.05.2019, 14.08.2019, 14.11.2019, 02.12.2019, 14.02.2020. The details of the attendance of the directors in the board meeting along with number of meeting held during their tenure are given below.

---

**DETAILS OF OTHER DIRECTORSHIP/COMMITTEE MEMBERSHIP OR CHAIRMAN OF ANY COMMITTEE  
IN OTHER COMPANIES:**

<b>Sr No.</b>	<b>Name of Directors</b>	<b>Directorship in other Company</b>	<b>Whether Chairman or Member of any Committee in Other Company?</b>
1.	Mr. Kailash G Gupta	BRUMMELS FASHIONS PRIVATE LIMITED	N.A.
2.	Mr. VijaySingh Rathore	N.A.	N.A.
3.	Mr. Nilesh A. Shah	N.A.	N.A.
4.	Mr. Satish Chand	N.A.	N.A.
5.	Ms. Julie P. Joshi	N.A.	N.A.

**Note:**

None of the above-mentioned Directors hold directorship in more than 15 Public Limited Companies.

**CODE OF CONDUCT**

The company has already adopted a code of conduct for all employees of the company and executive directors. The board has also approved a code of conduct for the non-executive directors of the company.

All board members and senior management personnel (as per Regulation 27 of SEBI (LODR),2015) have affirmed compliance with the applicable code of conduct has been provided in the Annual Report.

The directors and senior management of the company have made disclosures to the board confirming that there are no material financial and/ or commercial transactions between them and the company that could have potential conflict of interest with the company at large.

**COMPOSITION OF COMMITTEES**

**A. AUDIT COMMITTEE:**

Brief description of the terms of reference for a qualified and independent audit committee has been set up by the board. The terms of reference of the Audit Committee include;

- a. Review of quarterly and half yearly financial results with the management and the statutory auditors;
-

- b. Review with the management and statutory auditors of the annual financial statements before submission to the Board;
- c. Review with the management, statutory auditors and the internal auditors about the nature and scope of audits and of the adequacy of internal control system;
- d. Consideration of the reports of the internal auditors and discussion about their findings with the management and suggesting corrective actions wherever necessary;
- e. Review of the financial report process and disclosure of financial information;
- f. Review of the adequacy of the internal audit function;
- g. Look into the reasons for any substantial defaults in payments to the depositors, shareholders, creditors, if any;
- h. Recommending the appointment and removal of External Auditors, fixation of audit fees and approval for payment for any other services;
- i. Authority to investigate into any matter covered by section Companies Act, 2013;
- j. Reviewing the Company's financial and risk management policies

**COMPOSITION OF AUDIT COMMITTEE**

	Name	Type
1	Mr. Nilesh A. Shah	Chairman
2	Mr. Satish Chand	Member
3	Mrs. Julie P. Joshi	Member

**FUNCTIONS OF AUDIT COMMITTEE:**

The Audit Committee is headed by Mr. Nilesh A. Shah as Chairman and includes other director Mr. Satish Chand and Mrs. Julie P. Joshi. The Committee is regularly giving feedback on daily financial and accounting position of the company to the Board. The role of professional advisors has been of an Advisory nature. They do not take part in the proceedings of the committee. However they are giving their expert guidance on making compliance with the Accounting Standards, Financial transactions and accounting and Taxation matters, Company Law and other Corporate Legal Matters etc.

The Committee meets at least once in every quarter and prepare its minutes on the proceedings and business discussed, transacted. All committee Reports and minutes are placed before the Board in all its meetings for information, guidance, directions and taking the same on record.

Other functions, powers, duties etc. of the committee are defined taking in to account the legal provisions of the Listing Agreement and the same are kept flexible to be decided by the Board from time to time.

## **ESTABLISHMENT OF THE INTERNAL AUDIT SYSTEM**

The company has established the Internal Audit System under the Chairmanship of the Audit Committee and has already made policy, reporting formats etc for internal audit of business operations of the Company. However, **The Company is yet to appoint an Independent Internal Auditors for the Company.** Currently the Chairman of the Audit Committee Mr. Nilesh A Shah and the Director Mrs. Julie P. Joshi, both are jointly responsible for giving full accounts to the committee including to carry out any suggestions of the committee. The audit system framed will ensure, in future, proper financial control and accounting of the transactions as per the established accounting standards.

## **B. STAKEHOLDERS RELATIONSHIP COMMITTEE**

### **FUNCTIONS OF STAKEHOLDERS RELATIONSHIP COMMITTEE**

This Committee looks in to all aspects and business related to Shares and retail investors. The Committee also looks after the Dematerialization process of equity shares.

The Committee is also empowered to keep complete records of Shareholders, Statutory Registers relating to Shares and Securities, maintaining of the complete records of Share Demated, Investors Grievances and complaints received from investors and also from various agencies.

The Committee also take advise and seek legal opinions from advocates to look after the legal cases and problems relating to the investors, shares etc.

The Committee meets every month to approve all the cases of shares demat, transfer, issue of duplicate and resolution of investors complaints, submission of information to various statutory authorities like NSDL/CDSL, SEBI, Stock Exchanges, Registrar of Companies periodically and from time to time.

Other functions, roles, duties, powers etc. have been clearly defined in line with the Clause 49 of the Listing Agreement and are kept flexible for modification by the Board from time to time.

### **COMPOSITION OF STAKEHOLDER RELATIONSHIP COMMITTEE**

	Name	Type
1	Mr. Nilesh A. Shah	Chairman
2	Mr. Satish Chand	Member
3	Mrs. Kailash G. Gupta	Member

## **C. REMUNERATION COMMITTEE**

The Company has not paid remuneration as the company has Managing Director or Whole time Director. Also no remuneration or commission in profit was given to Independent and Non-Executive Directors in terms of Commission or Sitting Fees. No Employees or Key Manager Persons were given ESOP or Employee Stock Option Scheme (ESOS) during the year.

	Name of the Director	Commission	Sitting Fees	REMUNERATION
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1	Mr. Nilesh A. Shah	NIL	NIL	NIL
2	Mr. Satish Chand	NIL	NIL	NIL
3	Ms. Joshi Julie Paresh Bhai	NIL	NIL	NIL
4	Mr. Kailash G Gupta	NIL	NIL	NIL
5	Mr. Vijay N. Rathore	NIL	NIL	NIL

**COMPOSITION OF REMUNERATION COMMITTEE**

	Name	Type
1	Mr. SATISH CHAND	Chairman
2	Ms. Joshi Julie Paresh Bhai	Member
3	Mr. Nilesh A. Shah	Member

**NO. OF BOARD AND COMMITTEE MEETINGS HELD DURING THE YEAR:**

Name of the Committee	No. of Meetings held
Board	5
Audit Committee of Board	5
Stakeholders Relationship Committee	12
Remuneration Committee	2

**ATTENDANCE OF THE DIRECTORS IN VARIOUS MEETINGS:**

	Name of the Director	Board Meeting	AC Meeting	SRC Meeting	RC Meeting
1	<b>Mr. Vijaysingh N. Rathore</b>	5	NA	NA	NA
2	<b>Mr. Kailash G. Gupta</b>	5	NA	12	NA
3	<b>Mr. Nirav A Shah</b>	5	5	12	2
4	<del>Mr. Satish Chand</del>	5	5	12	2



5	<b>Ms. Julie P. Joshi</b>	5	5	NA	2
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**DIRECTORS PRESENT AT THE LAST ANNUAL GENERAL MEETING - DATED 30TH SEPTEMBER 2019**

1	<b>Mr. Vijaysingh N. Rathore</b>	Chairman & Managing Director.
2	<b>Mr. Kailash G. Gupta</b>	Director
3	<b>Ms. Joshi Julie Pareshbhai</b>	Additional-Director
4	<b>Mr. Satish Chand</b>	Additional-Director

**DETAILS OF ANNUAL GENERAL MEETINGS HELD DURING THE LAST 3 FINANCIAL YEARS**

**DETAILS OF ANNUAL GENERAL MEETINGS HELD DURING THE LAST 3 FINANCIAL YEARS**

1. September 30, 2019  
III Floor Simandhar Estate,  
Opp. Sakar-III, Income Tax,  
Ahmedabad-380009
2. September 29, 2018  
III Floor Simandhar Estate,  
Opp. Sakar-III, Income Tax,  
Ahmedabad-380009
3. . September 30, 2017  
III Floor Simandhar Estate,  
Opp. Sakar-III, Income Tax,  
Ahmedabad-380 009

## **POLICIES**

### **A. POLICY ON RELATED PARTY TRANSACTIONS**

#### **SCOPE AND PURPOSE OF THE POLICY**

Related party transactions can present a potential or actual conflict of interest which may be against the best interest of the company and its shareholders. Considering the requirements for approval of related party transactions as prescribed under the Companies Act, 2013 (“Act”) read with the Rules framed there under (as amended by SEBI Circulars dated April 17, 2014 and September 15, 2014), our Company has formulated guidelines for identification of related parties and the proper conduct and documentation of all related party transactions.

Also, SEBI LODR REGULATIONS requires a company to formulate a policy on materiality of related party transactions and dealing with related party transactions. In light of the above, our Company has framed this Policy on Related Party Transactions (“Policy”). This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Audit Committee. Going forward, the Audit Committee would review and amend the Policy, as and when required, subject to the approval of the Board.

#### **OBJECTIVE OF THE POLICY**

The objective of this Policy is to set out (a) the materiality thresholds for related party transactions and; (b) the manner of dealing with the transactions between the Company and its related parties based on the Act, Clause 27 of the Listing Agreement and any other laws and regulations as may be applicable to the Company.

#### **MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS**

##### **a) Identification of related parties:-**

The Company has formulated guidelines for identification and updating the list of related parties as prescribed under Section 2(76) of the Act read with the Rules framed there under and Regulation of the SEBI (Iord), 2015.

##### **b) Identification of related party transactions:-**

The Company has formulated guidelines for identification of related party transactions in accordance with Section 188 of the Act and Regulations of SEBI (LODR), 2015.

#### **DISCLOSURES**

The Company shall disclose, in the Board’s report, transactions prescribed in Section 188(1) of the Act with related parties, which are not in ordinary course of business along with the justification for entering into such transaction.

### **B. FAMILIARIZATION POLICY FOR INDEPENDENT DIRECTORS**

#### **PURPOSE AND OBJECTIVE OF THE POLICY**

The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company.

#### **FAMILIARIZATION AND CONTINUING EDUCATION PROCESS**

- The Company through its Managing Director / Executive Director / Key Managerial Personnel conducts programmes / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.
- Such programmes/presentations provide an opportunity to the Independent Directors to interact with the Senior Management of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time.
- The programmers/presentations also familiarizes the Independent Directors with their roles, rights and responsibilities.
- When a new Independent Director comes on the Board of the Company, a meeting is arranged with the Chairperson, Managing Director, Chief Financial Officer to discuss the functioning of the Board and the nature of the operation of the Company's business activities.
- New Independent Directors are provided with copy of latest Annual Report, the Company's Code of Conduct, the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices, Schedule of upcoming Board and Committee meetings.
- The Company provides the Directors with the tours of company's facilities from time to time.
- A detailed Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, insurance cover, Tata Code of Conduct and obligations on disclosures, is issued for the acceptance of the Independent Directors.

## **C. RISK MANAGEMENT POLICY**

### **LEGAL FRAMEWORK**

Risk Management is a key aspect of the "Corporate Governance Principles and Code of Conduct" which aims to improvise the governance practices across the Company's activities. Risk management policy and processes will enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities.

### **BACK GROUND AND IMPLEMENTATION**

The Company is prone to inherent business risks. The objective of Risk Management Policy shall be identification, evaluation, monitoring and minimization of identifiable risks. This policy is in compliance with the amended Reg. 27 of the SEBI (LODR), 2015 W.e.f 1st October 2014) which requires the Company to lay down procedure for risk assessment and procedure for risk minimization. The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network. Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

### **COMMITTEE**

The Company has not made Risk Management Committee but the Board of Directors & Audit Committee is looking after the Risk Management of the Company.

## **D. CORPORATE SOCIAL RESPONSIBILITY POLICY**

India's new Companies Act, 2013 has introduced several new provisions which change the face of Indian corporate business. One of such new provisions is Corporate Social Responsibility (CSR). As per Section 135 of the Companies Act, 2013, it provides the threshold limit for applicability of the CSR to a Company i.e. (a) net worth of the company to be Rs 500 crore or more; (b) turnover of the company to be Rs 1000 crore or more; (c) net profit of the company to be Rs 5 crore or more.

Our Company is through a profit making, but earning very small amount of profit during the last 3 years, hence, the provisions relating to Corporate Social Responsibilities are not applicable to the Company. Hence, CSR Policy is Not Applicable to the Company

#### **E. VIGIL MECHANISM POLICY**

##### **LEGAL FRAMEWORK**

Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.

Effective October 1, 2014, Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter alia, provides for a mandatory requirement for all listed companies to establish a mechanism called „Whistle Blower Policy“ for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the company’s code of conduct.

##### **POLICY**

In compliance of the above requirements, the Company being a Listed Company has established a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism.

The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

#### **F. SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (POLICY WHERE MORE THAN 4 WOMEN WORKING) AND ELIMINATION OF CHILD LABOUR POLICY.**

The Company is not employing more than 4 women employees as well as the Company is not employing any child labor. So these both policies are not applicable to the Company.

##### **INVESTORS SERVICES:**

Press Releases and Financial Results are made available on the website of the Company i.e. [www.vaxhousing.com](http://www.vaxhousing.com). **However, during the year under review the website of the company was non functional due to non payment of the Internet Providers charges. The company is taking adequate steps to reinstate the website of the company as soon as possible.** For the grievances of our investors the company has designated an e-mail id for investors i.e. [vax1994@yahoo.co.in](mailto:vax1994@yahoo.co.in)

##### **Website:**

[www.vaxhousing.com](http://www.vaxhousing.com) contains a sub menu on investor relations. It carries comprehensive information of interests to our investors including on the results of the company, quarterly report on corporate

Governance, quarterly shareholding patterns, Annual Reports, business activities of the company as well as corporate actions made by the company. Website is updated time to time for the investor's information and awareness.

#### **PASSING OF THE RESOLUTIONS BY POSTAL BALLOT SYSTEM**

The Company had not passed any resolution by means of Postal Ballot at the last Annual General Meeting. The Company had during the financial year not passed any resolutions by means of Postal Ballot system.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

Statement in this Management Discussion and Analysis of Financial Condition and Results of the Company describing the company's objectives expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations forward looking statements are based on certain assumptions and expectations of future events.

The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events, actual results may differ materially from those expressed in the statement. Important factors that could influence the company's operations include interconnect usage charges, determination of tariff and such other charges and levels by the regulatory authority, charges in government regulations, tax laws, economics developments within the country and such factors globally.

The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provision of the Companies Act, 1956(the Act) and comply with the Accounting Standards notified under section 211(3C) of the Act read with Companies (Accounting Standard) Rules, 2006. The management of Vax Housing Finance Corporation Limited has used estimate and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the state of affairs and loss for the years.

The following discussion on our financial condition and result of operations should be read together with our financial statements and the notes to these statements included in the Annual Report.

#### **PRESENT STRENGTH OF THE COMPANY**

Company has engaged in business of investment and acquiring or otherwise and hold sell, by or otherwise deal in shares, debentures, debenture stocks, bonds, units, obligations and securities issued or guaranteed by Indian or foreign governments, states, dominions, sovereigns, municipalities or public authorities or bodies and by any company, corporation, firm or person whether incorporated in India or elsewhere and to manage investment pools. Company has also engaged in business of real estate. Once, the market is identified, the management is hopeful of making optimum use of the fixed assets available in the company. Vax Housing Finance Corporation Limited has team of experience and result oriented entrepreneurs and businessman. The promoters has varied experience in line of financial Services and conversant with intricacies and nuances of the trade.

The Company is in process to find appropriate persons with adequate exposure and experience in the field of finance, company law, marketing, Banking and investment for the appointment in the company, So Company can increase its business activities and increase its profitability in the coming years.

In the last three years Company has made profit and by utilizing resources, manpower as well as experience of the management team of the company, Company will make good profit in the Coming year. The Net Profit Ratio on capital employed is also increasing day by day. The Company is expecting to earn 10% return on total capital employed in the near future.

**(b) FUTURE OUT LOOK**

The Indian Financial System will be playing a key role in implementation of various financial activities. The future year will be the great for the Company to make adequate profit. Company has made investments in various mutual funds like Birla Infrastructure Funds, Reliance Equity Funds, Fidelity India Special Funds, and ICICI Prudential LIQ. Fund etc.

**(c) COMPANY'S ACTION PLAN**

Following are whole business operations are going on with a great level of dedication and with the cordial support of all Management team, we expect a great business toward the Company's stakeholders.

Vax Housing Finance Corporation Limited has team of experience and result oriented entrepreneurs and businessman. The promoters has varied experience in line of Financial Services and conversant with intricacies and nuances of the trade.

The Company currently operates as providing miscellaneous financial Services and investing in various securities like shares, debentures, stocks, mutual funds etc and company has also made an investment in real estate. Now the Company is in process of acquiring the Readymade House and Office properties like Flat, Buildings or Offices at the main places and give on rental basis to gathering the revenue for the meeting of daily expenses of the company.

**MEANS OF COMMUNICATIONS**

**A] ESTABLISHMENT OF INTERNAL MANAGEMENT INFORMATION SYSTEMS**

The company has established the Management Information System (MIS) whereby each and every functional department submits their performance reports and any type, nature, description of problems to their Functional heads. The functional heads have autonomy for redressal of problems and HRD problems or functional problems at their own level. Any problems requiring policy decisions are being intimated to Audit Committee for redressal or amendments in the policy and procedures. The progress reports are being regularly on monthly basis intimated to the Audit Committee through the Financial Officer of the company who in turn put the same to Audit Committee meetings. All the Investors' grievances or share department related queries are addressed to the Compliance Officer who in turn put the same before the Stakeholders Relationship Committee.

**B] INFORMATION SYSTEM BETWEEN COMMITTEES AND THE BOARD**

Both Audit Committee and Stakeholders Relationship Committee receive periodical regular information from the concerned functional heads, after resolutions of all the problems communicate back the same to

functional heads for further communications. The progress report and minutes of all meetings held of both the committees are being placed before the Board for information and taking the same on records.

**C] INFORMATION SYSTEM BETWEEN THE COMPANY AND INVESTORS AND OTHER STAKE HOLDERS.**

The company is regularly taking on record the unaudited financial results on quarterly basis as per requirements of the Regulations of SEBI LODR 2015. The material information relating to the business of the company are being intimated to the Stock Exchange who in turn publish the same in their daily official bulletin. The Audited Financial Balance Sheet is being dispatched to all shareholders in time at their registered addresses.

**Environment:**

The company communicates with its shareholders and general public through e-mails as per new Circular issued by the Act, hence the company has reducing paper consumption. Company has also maintain its own Website on which proper data regarding Company like results, Corporate Actions, Performance etc are available for the investors and general public.

**VIGILLANCE MECHANISM**

**A. OVER COMING BARRIERS OF CURRENT OPERATIONS**

This system is established under the chairmanship of Shri Vijaysingh Rathod. He will be further assisted by chief operational officer (COO) and chief financial officer (CFO). The company's operational department ensures whistle blower upon failure / shut down or breaks down of business services supply systems and service utilities of its sports academy and entertainment division. Upon such intimation the company has established the systems for identifying the reasons for failure in continuous supply of business services, find out remedial action and to restore the services within minimum possible time so as to reduce overall business loss as well as the financial losses. In addition the Company has established data back up systems on CDs, DVDs, and is also in the process of hiring the data warehouse for retrieval of the various entertainment contents shoot and recorded on the Digital media. The Company is also planning to hire the Data warehouse center to securely warehouse all important entertainment related contents in digital forms safely.

The CFO blows the whistle upon any possible financial crunch or over/extensive financial liabilities. The short term financial management system ensures overcoming any unforeseen liabilities through overdrafts on deposits or temporary borrowing on Inter Corporate deposits basis. The long term financial planning ensures productive use of long term financial funds. The company as far as possible ensures making separation in usage of short term and long term funds.

**B. POSSIBLE THREATS TO FINANCIAL SYSTEMS**

The company operates in a multimedia and entertainment industry wherein the company is required to make heavy financial investment in products, high cost of manpower which are basically in the nature of revenue (Short Term) but the product being generated is of long term usage and can be marketed over the years which generates revenue in years. Further the company also faces threats of possible shortage of short term funds due to non completion of final products or delay in completion of the final products. Any financial problems are being met through short financial borrowing from open market or by way of barter system marketing arrangements.

**C. MANAGEMENT'S ACTION PLANS**

**(TO OVERCOME POSSIBLE SYSTEM FAILURES)**

These are the areas which are difficult for any management to overcome and control. Even though the company's HRD and technical department ensures performance appraisal of manpower which to some extent help in eliminating this risk.

**DISCLOSURES**

**A) MATERIALLY RELATED PARTY TRANSACTIONS:**

During the year the financial or business transactions made by the company with the related parties of Directors or the Key Managerial Person is detailed given under the Note No. 3 of Schedule 25, Other notes forming part of accounts in notes to the Account.

**B) DETAILS OF NON-COMPLIANCE**

Company has as far as possible subject to availability of funds, complied with penalties imposed on the company or any of its directors by stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years. However, there still remains the certain amount of penalty payable to stock exchanges and some of them are on continuing basis for defaults hence it is difficult the exact amount of penalty payable. All the penalty if any paid by the company will accounted for as and when the same is paid. Due to these reasons, the BSE Ltd has suspended the trading in shares of the company.

**C) ACCOUNTING TREATMENT:**

In the preparation of financial statements, the company has followed the Accounting Standards as prescribed under Companies (Accounting Standards) Rules 2006, as applicable. The Accounting Policies followed by the company to the extent relevant, are set out elsewhere in this Annual Report.

**STATUTORY COMPLIANCES MADE AND RETURNS ETC. FILED**

The company has duly complied with the provisions of the Companies Act 2013 and various rules and regulations framed thereunder subject to the observations if any made by the Secretarial Auditors in their report. As far as possible and subject to the availability of cash funds in the company, majority of the provisions of the Listing Agreement are complied except payment of penalty for non compliance imposed by the stock exchange. The company has also filed various unaudited Financial Results, Balance Sheets, Income Tax returns and other statutory returns with all the authorities in time.

**CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Board has established a Code of Conduct for all Board members and senior management of the company. None of the Directors or any of the Key managerial personnel had done any trading in shares of the Company in the secondary market. Further the company had not made any allotment of shares to any Directors or any of the key managerial personnel during the year. Certificate of Compliance with the Code of Conduct for Board of Directors and Key Management Personnel is given herewith Board of Director Report.



**OTHER DETAILS**

<b>REGISTERED OFFICE</b>	:	III Floor Simandhar Estate,  Opp. Sakar-III, Income Tax, Ahmedabad-380009
<b>BOOK CLOSURE DATES</b>	:	21/09/2020 to 27/09/2020  (Inclusive of Both Days)
<b>REGISTRAR AND SHARE</b>		
<b>TRANSFER AGENT</b>	:	LINK INTIME INDIA (P) LIMITED  5 <sup>th</sup> Floor, 506-508, 6, ABC-I, Beside Gala Business Center, St.Xaviers College Corner, Off: C.G.Road, Navrangpura, Ahmedabad: 380 009.  Tele Phone: 91-079-26465179  Fax Number: 91-079-26465179  E-mail: <a href="mailto:Ahmedabad@linkintime.co.in">Ahmedabad@linkintime.co.in</a>

**SIN NUMBER OF THE COMPANY:** INE761B01017

**FINANCIAL CALENDAR**

Unaudited Results for the Quarter :

Ending on 30th June, 2019	:	14 <sup>th</sup> August, 2019
Ending on 30th September, 2019	:	14 <sup>th</sup> November, 2019
Ending on 31st December, 2019	:	14 <sup>th</sup> February, 2019
Ending on 31st March, 2019	:	30 <sup>th</sup> May, 2020

**DETAILED PROGRAMME OF THE 26th ANNUAL GENERAL MEETING**

<b>DATE</b>	:	27 <sup>th</sup> September, 2020
<b>DAY</b>	:	SUNDAY
<b>TIME</b>	:	03.00 P.M.
<b>VENUE</b>	:	RADISSON BLU, Near Panchvati Cross Roads, Off C.G.Road, Ambawadi, Ahmedabad

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**CATEGORY WISE HOLDING OF SHARES AS ON DATE 31/03/2020:**

Category	Shares	Percentage of Holding
Promoters	165572	1.38%
Bodies Corporate	4700000	39.5%
Public (Indian)	7137628	59.12%
NRI	-	-
Clearing Members	-	-

**DISTRIBUTION OF SHAREHOLDING AS ON DATE 31/03/2020:**

-----

SHAREHOLDING OF SHARES		SHAREHOLDERS %AGE	SHARES ALLOTTED	%AGE	
SHARES	SHARES	NUMBER	OF TOTAL	OF TOTAL	
1	- 500	1801	70.71	710255	5.92
501	- 1000	299	11.74	170825	1.42
1001	- 2000	225	8.83	240124	2.00
2001	- 3000	67	2.63	164600	1.37
3001	- 4000	18	0.70	66088	0.55
4001	- 5000	19	0.74	91167	0.76
5001	- 10000	30	1.20	223177	1.86
10001	- 999999999	88	3.45	10336964	86.12
TOTAL:			100.0000	12003200	100.0000

DATE : 03<sup>rd</sup> September,2020  
PLACE: AHMEDABAD.

ON BEHALF OF THE BOARD OF DIRECTORS  
OF VAX HOUSING FINANCE CORPORATION LIMITED

SD/-  
(VIJAYSINGH RATHORE)  
CHAIRMAN AND MANAGING DIRECTOR  
(DIN: 00283820)

**CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT FOR BOARD OF DIRECTORS AND  
KEY MANAGEMENT PERSONNEL**

To,  
The Members,  
Vax Housing Finance Corporation Limited,  
Ahmedabad.

I, VijaySingh Rathore, Chairman of the Company, hereby certify that all the Board Members and Senior Management Personnel of the Company do hereby affirm that subject to the observations of the Secretarial Auditors and the Stautory Auditors as well as the information specifically given in this report, as far as possible the company has made compliance with the Code of Conduct in accordance with Regulation 27of the SEBI (LODR) ,2015 entered into with Stock Exchange.

As required by Reg. 27 of the SEBI (LODR), 2015, Certificate of Compliance with the Corporate Governance Requirements by the Company issued by Auditors is given as an annexure to the Directors' Report.

We further confirm that during the year No Directors or any of the Key managerial persons had done any trading in shares of the Company in the secondary market. Further the company had not made any allotment of shares to any Directors or any of the key managerial personnel during the year.

The above Report was adopted by the Board at their meeting held on 30th May, 2018.

**DATE : 03<sup>rd</sup> September,2020**  
**PLACE: AHMEDABAD.**

**ON BEHALF OF THE BOARD OF DIRECTORS  
OF VAX HOUSING FINANCE CORPORATION LIMITED**

**SD/-**  
**(VIJAYSINGH RATHORE)**  
**CHAIRMAN AND MANAGING DIRECTOR**  
**(DIN: 00283820)**

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY**

We, Kailash G Gupta, Managing Director and Mr. Nilesh A. Shah, Chairman of the Audit Committee of VAX Housing Finance Corporation Limited, do hereby certify that subject to the observations of the Statutory Auditors in their report as well the observations of the Secretarial Auditors in their report,

- (a)** We have reviewed the financial statement and the cash flow Statement for the year and to the best of our knowledge and belief;
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
- (ii) These statements together present a true and fair view of the Company affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
- (b)** As per the best of our knowledge and belief, no transactions entered into by VAX Housing Finance Corporation Limited during the year which are fraudulent, illegal or violative of the company's Code of Conduct.
- (c)** We are responsible for establishing and maintaining internal controls for financial reporting in VAX Housing Finance Corporation Limited and we have evaluated the effectiveness of the internal control system of the company pertaining to financial reporting. We have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps we have taken or propose to take to rectify these deficiencies.
- (d)** We have indicated to the auditors and the audit Committee:
- (i) Significant changes in internal controls over financial reporting during the year.
- (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
- (iii) Instance of Significant fraud of which we have become aware and the involvement therein, if any, of the management of an employee having a significant role in the Company internal control system
- (e)** We affirm that we have not denied any personal access to the Audit Committee of the Company (in respect of matters involving alleged misconduct, if any.)
- (f)** We further declare that all Board Members and senior management have affirmed compliance with the code of conduct for the current year.

**DATE : 03<sup>rd</sup> September,2020**  
**PLACE: AHMEDABAD.**

**ON BEHALF OF THE BOARD OF DIRECTORS**  
**OF VAX HOUSING FINANCE CORPORATION LIMITED**

**SD/-**  
**(VIJAYSINGH RATHORE)**  
**CHAIRMAN AND MANAGING DIRECTOR**  
**(DIN: 00283820)**

## **AUDITORS' REPORT ON COMPLIANCE WITH CORPORATE GOVERNANCE**

To  
The Members of  
VAX Housing Finance Corporation Limited,

We have examined the compliance of conditions of Corporate Governance by VAX Housing Finance Corporation Limited, for the period ended on 31st March, 2020 as stipulated in Regulation 27 of the SEBI (LODR),2015 Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. The board of Directors are disqualified as per section 164 of Companies Act,2013 except Mrs. Julie p. Joshi & Mr. Nilesh A. Shah.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has partly complied with the requirements and conditions of corporate governance as stipulated in the above mentioned listing agreement except certain non-compliance of the Listing Agreement with by the company as per the observations of the Secretarial Auditors.

We state that generally no investor grievances remain pending for a period exceeding one month against the Company as per the records maintained by the company subject to the conditions that 3 investors complaints are still pending and could not be resolved due to STA/RTA has stopped the services w.e.f. 31/03/2016 and no further information relating to Register of Members and Share transfer Register are made available to the Company by the RTA/STA..

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.

On the basis of our review and according to the information and explanations given to us by the company, we state that in our opinion and to the best of our knowledge, the Company has complied with the mandatory requirements as contained in the Listing Agreement with the Stock Exchanges and as per Provisions of the Companies Act 2013.

**Place: Ahmedabad**

Date: 03<sup>rd</sup> September, 2020

For BHAVIN M. SHAH & ASSOCIATES  
Chartered Accountant

SD/-  
(BHAVIN M SHAH) Proprietor  
Membership no. 171455

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**VAX HOUSING FINANCE CORPORATION LIMITED**  
**CIN NO: L52100GJ1994PLC023147**

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301, SIMANDHAR ESTATE, NR SAKAR-III, INCOME TAX, AHMEDABAD GUJARAT-380014  
PH.: 079-4006 6963 EMAIL: vax1994@yahoo.com

## **INDEPENDENT AUDITORS' REPORT**

To  
The Members of  
Vax Housing Finance Corporation Limited,

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the standalone accompanying financial statements of Vax Housing Finance Corporation Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), change in Equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit and other comprehensive Income, changes in equity and cash flows for the year ended on that date.

#### **Basis for opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

#### **Emphasis of matter**

COVID-19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain. Our opinion is not modified in respect of the above matter.



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**Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we have determined that there are no key audit matters to communicate in our report.

**Information Other than the Standalone Financial Statements and Auditors' Report Thereon**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report and Management Discussion & Analysis (MD&A) report, but does not include the standalone financial statements and our auditors' report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



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Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure 1', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. A. As required by Section 143 (3) of the Act, we report that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) with respect to the adequacy of the internal financial controls with reference to financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure 2'



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B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. the Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its financial statements;
- ii. the Company has recognised provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
- iii. there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and
- iv. the disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

C. With respect to the matter to be included in the Auditors' Report under Section 197(16):

In our opinion and according to the information and explanations given to us, the company has not paid remuneration to its Directors during the current year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For, Bhavin M Shah & Associates**  
Chartered accountant  
Firm Registration No : 144046W

**CA Bhavin M Shah**  
Proprietor  
Membership No.171455  
UDIN: 20171455AAAAAO6348  
Place : Ahmedabad  
Date : 31st July, 2020



**VAX HOUSING FINANCE CORPORATION LIMITED**  
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## **Annexure 1**

### **To Independent Auditors' Report**

**Referred to in Report on Other Legal and Regulatory requirements paragraph 1 of the Independent Auditors' Report of even date to the members of Vax Housing Finance Corporation Limited on the financial statements for the year ended March 31, 2020**

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.  
(b) The Company has a regular programme of physical verification of property, plant and equipment by which property, plant and equipment are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Corporation and the nature of its assets. No material discrepancies were noticed on such verification.  
(c) According to the information and explanations given to us company have no immovable properties at the balance sheet date.
- ii. The Company is engaged in providing financial services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3 (ii) of the Order is not applicable to the Company.
- iii. According to information and explanations given to us and audit procedure conducted by us, the company has not granted loans during the current year, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. In respect of the existing loan at the beginning of the year:  
(a) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations;  
(b) There is no overdue amount remaining outstanding as at the year end.
- iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantee and security, as applicable.
- v. As per the Ministry of Corporate Affairs notification dated 31 March 2014, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company. The Company has not accepted any deposit after cancellation of license of NBFC accordingly; reporting under Clause 3(v) of the Order is not applicable.



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vi. According to the information and explanations given to us, the Central Govt. has not prescribed maintenance of cost records under sub-section (1) of Sec.148 of the Companies Act, 2013 for any of the products of the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income tax and other material statutory dues applicable to it have generally been regularly deposited by the Company with the appropriate authorities. As explained to us, the Corporation did not have any dues on account of Customs Duty and Excise Duty.

According to the information and explanations given to us and on the basis of our examination of the records, no undisputed amounts payable in respect of income tax, in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records, there are no other statutory dues that have not been deposited on account of any dispute. However, according to information and explanations given to us, the following dues of Income tax have not been deposited by the Corporation on account of disputes:

Name of the statute	Nature of dues	Amount (')	Period to which the amount relates	Forum where Dispute is pending
The Income Tax Act, 1961	Demand U/s 156	13,60,757	AY 2017-18	CIT (Appeal) Ahmedabad

viii. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not take loans and defaulted in the repayment of loans or borrowings to financial institutions, banks or debenture holders. The Corporation has not taken loans or borrowings from government. Accordingly, the provisions of Clause 3(vii) of the Order are not applicable to the Company

ix. According to the information and explanations given to us and based on our examination of the records, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of



**VAX HOUSING FINANCE CORPORATION LIMITED**  
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material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

- xi. According to the information and explanations given to us and based on our examination of the records, the Corporation has not paid / provided for managerial remuneration during the year therefore in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act is not applicable. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. According to the information and explanations given to us, the Corporation is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the standalone financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully convertible debentures during the year under audit. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company;
- xvi. According to the information and explanations given to us, the Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. The Reserve Bank of India in exercise of the powers conferred on it under Section 45-IA (6) of the Reserve Bank of India Act, 1934 cancelled the certificate of registration of the non-banking financial company (NBFC) Vax Housing Finance Company Limited with effect from 9th December, 2016.

Place : Ahmedabad

Date : 31st July, 2020

**For, Bhavin M Shah & Associates**

Chartered accountant

Firm Registration No : 144046W

**CA Bhavin M Shah**

Proprietor

Membership No.171455

UDIN: 20171455AAAAAO6348



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## **Annexure 2**

### **To Independent Auditors' Report**

**Referred to in Report on Other Legal and Regulatory requirements paragraph 2(f) of the Independent Auditors' Report of even date to the members of Vax Housing Finance Corporation Limited on the financial statements for the year ended March 31, 2020**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over standalone financial reporting of Vax Housing Finance Corporation Limited ("the Company") as of 31st March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our



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audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting, were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



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**For, Bhavin M Shah & Associates**  
Chartered accountant  
Firm Registration No : 144046W

**CA Bhavin M Shah**  
Proprietor  
Membership No.171455  
UDIN: 20171455AAAAAO6348  
Place : Ahmedabad  
Date : 31st July, 2020



**VAX HOUSING FINANCE CORPORATION LIMITED**

CIN : L52100GJ1994PLC023147

301, Simandhar Estate, Near Sakar-III, Income Tax, Ahmedabad 380014

**STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2020**

SR.NO.	PARTICULARS.	NOTE NO.	AS AT 31/03/2020	AS AT 31/03/2019
	<b>ASSETS.</b>			
<b>(A)</b>	<b>NON CURRENT ASSETS.</b>			
1	Property, Plant and Equipments	1	1,72,505	2,32,969
2	Deferred Tax Assets		-	-
3	Financial Assets.		-	-
3 (i)	Long Term Investments.	2	82,86,510	82,86,510
3(ii)	Long Term Loans	4	9,22,63,995	9,15,87,797
3(iii)	Other Financial Assets.		-	-
4	Assets held for Sale and Discontinued Operations		-	-
5	Other Non Current Assets	6	31,63,46,636	31,63,46,636
	<b>TOTAL OF NON CURRENT ASSETS (1 TO 5)</b>		<b>41,70,69,646</b>	<b>41,64,53,912</b>
<b>(B)</b>	<b>CURRENT ASSETS:</b>			
1	Financial Assets.			
1(i)	Trade Receivables.	3	7997950	8325798
1(ii)	Cash and Cash Equivalent.	7	524126	527574
1(iii)	Short terms loans and advances	4	8798120	8765620
2	Non Financial Assets (Inventories)		-	-
3	Current Tax Assets (Net)	5	-	-
4	Other Current Assets.	6	50,850	47,700
	<b>TOTAL OF CURRENT ASSETS (B-1 TO 4)</b>		<b>1,73,71,046</b>	<b>1,76,66,692</b>
	<b>TOTAL ASSETS (CURRENT + NON CURRENT (A + B))</b>		<b>434440692</b>	<b>434120604</b>
	<b>EQUITY AND LIABILITIES.</b>			
<b>(A)</b>	<b>EQUITY</b>			
1	Paid Up Equity Share Capital	7	12,00,32,000	12,00,32,000
2	Other Equity (Reserve And Surplus)	8	307348461	307327172
	<b>(TOTAL OF A 1 + 2)</b>		<b>427380461</b>	<b>427359172</b>
<b>(B)</b>	<b>NON CURRENT LIABILITIES.</b>			
1	Deferred Tax Liabilities.	5	2051	252
2	Loag Term Borrowing Secured.		-	-
3	Long Term Borrowing Unsecured.		-	-
4	Other Long term Liabilities.	10	64,36,180	64,36,180
	<b>TOTAL OF NON CURRENT LIABILITIES B 1 TO 4)</b>		<b>64,38,231</b>	<b>64,36,432</b>
<b>(C)</b>	<b>CURRENT LIABILITIES.</b>			
1	Current Maturity of Long Term Borrowing (Secured)		-	-
2	Current Maturity of Long Term Borrowing (Unsecured)		-	-
3	Provisions	9	-	-
4	Trade Payables		-	-
5	Other Financial Liabilities.		-	-
6	Other Current Liabilities.	10	6,05,000	3,10,000
7	Current Tax Liabilities (Net)	5	17,000	15,000
	<b>TOTAL OF CURRENT LIABILITIES (C 1 TO 7)</b>		<b>6,22,000</b>	<b>3,25,000</b>
	<b>TOTAL OF EQUITY AND LIABILITIES. (A +B + C)</b>		<b>434440692</b>	<b>434120604</b>

As per our report of even date attached herewith.

**For, BHAVIN M SHAH & ASSOCIATES**  
Chartered Accountants

**For, Vax Housing Finance Corporation Ltd.**

**Bhavin M. Shah**  
Proprietor  
Mem Mo. 171455  
FRN. : 144046W  
UDIN: 20171455AAAAO6348

**Mg. Director**                      **Director**

Place : Ahmedabad  
Date: 31/07/2020

Place : Ahmedabad  
Date: 31/07/2020

**VAX HOUSING FINANCE CORPORATION LIMITED**

CIN : L52100GJ1994PLC023147

301, Simandhar Estate, Near Sakar-III, Income Tax, Ahmedabad 380014

**STATEMENT OF STANDALONE PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2020**

AMOUNT `.

SR.NO.	PARTICULARS.	NOTE NO.	FOR THE ENDED 31/03/2020	FOR THE ENDED 31/03/2020
	INCOMES			
I	Revenue from Operations (Net of Taxes)		-	-
II	Other Business Income	11	5,09,891	4,77,000
III	Total Income (I + II)		5,09,891	4,77,000
	EXPENSES.			
(a)	Cost of Material Consumed		-	-
(b)	Purchase of Stock in Trade.		-	-
(c)	Changes of Inventories of Finished Goods, Work in Progress, Stock in Trade.		-	-
(d)	Employees Benefit Expense		-	-
(e)	Finance Costs	12	248	414
(f)	Depreciation and Amortisation Expenses	13	60,464	81,930
(g)	Impairment expenses/losses		-	-
(h)	Other Expenses	14	3,75,000	3,45,000
	<b>TOTAL EXPENSES (IV (a to f))</b>		<b>4,35,712</b>	<b>4,27,344</b>
V	<b>Profit/(Loss) before Exceptional Items and Tax. (III-IV)</b>		<b>74,179</b>	<b>49,656</b>
VI	Exceptional Items. & Extraordinary Item			-
VII	<b>Profit/ (Loss) Before Tax. (V-VI)</b>		<b>74,179</b>	<b>49,656</b>
VIII	<b>TAX EXPENSES.</b>			
(a)	Current Tax.		51,091	15,000
(b)	Deffered Tax.		1,799	(1,748)
	<b>Total Tax Expenses.</b>		<b>52,890</b>	<b>13,252</b>
IX	<b>NET PROFIT AFTER TAX FROM BUSINESS OPERATIONS.</b>		<b>21,289</b>	<b>36,404</b>
X	<b>Other Comprehensive Income</b>			
	<b>A (i) Items that will not be recycled to profit or loss</b>		-	-
	<b>B. (i) Items that may be reclassified to profit or loss</b>		-	-
	<b>(ii) Income tax on items that may be reclassified to profit or loss</b>		-	-
XI	<b>Total Comprehensive Income (XII+XIII)</b>		<b>21,289</b>	<b>3640400%</b>
XII	<b>Earning Per Share (In `)</b>			
(i)	Basic.		0	0
(ii)	Diluted.		0	0

As per our report of even date attached herewith.

For, BHAVIN M SHAH & ASSOCIATES  
Chartered Accountants

For, Vax Housing Finance Corporation Ltd.

Bhavin M. Shah  
Proprietor  
Mem Mo. 171455  
FRN. : 144046W  
UDIN: 20171455AAAAA06348

Mg. Director Director

Place : Ahmedabad  
Date: 31/07/2020Place : Ahmedabad  
Date: 31/07/2020

**VAX HOUSING FINANCE CORPORATION LIMITED**

CIN : L52100GJ1994PLC023147  
301, Simandhar Estate, Near Sakar-III, Income Tax, Ahmedabad 380014

**STANDALONE STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST MARCH 2020**

AMOUNT IN `.

SR.NO.	PARTICULARS.	YEAR ENDED 31/03/2020	YEAR ENDED 31/03/2019
<b>A.</b>	<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax	74,179	49,656
	Adjustments to reconcile profit for the year:		
	Depreciation and Amortization Expenses	60,464	81,930
	<b>Operating Profit before Working Capital Changes</b>	<b>1,34,643</b>	<b>1,31,586</b>
	<b>Adjustment for Changes in Working Capital</b>		
	(Increase)/Decrease in Long Term Loans and Advances	(6,76,198)	-
	(Increase)/Decrease in Short Term Loans and Advances	(32,500)	-
	(Increase)/Decrease in Other Other Non Current Assets	-	-
	(Increase)/Decrease in Other Other Current Assets	(3,150)	(3,094)
	(Increase)/Decrease in Trade Receivables	3,27,848	(3,27,848)
	Increase/(Decrease) in Short Term Provisions	-	-
	Increase/(Decrease) in Deffered Tax Liabilities	1,799	(1,748)
	Increase/(Decrease) in Other Non Current Liabilities	-	-
	Increase/(Decrease) in Other Current Liabilities	2,95,000	1,45,000
	Increase/(Decrease) in Current Tax Liability	2,000	5,000
	Less: Income Tax Expense	(52,890)	(13,252)
	<b>Net cash generated from operating activities cash flows from operating activities</b>	<b>(3,448)</b>	<b>(64,356)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Net cash generated from/(used in) investing activities cash flows from operating activities	-	-
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Net used in financing activities	-	-
	<b>Net increase/(decrease) in cash and cash equivalents during the year</b>	<b>(3,448)</b>	<b>(64,356)</b>
	Cash and cash equivalents at the beginning of the year	5,27,574	5,91,930
	<b>Cash and cash equivalents at the end of the year</b>	<b>5,24,126</b>	<b>5,27,574</b>
	<b>Closing Cash and Cash equivalents Comprise:</b>		
	Cash in Hand	5,08,959	5,08,959
	Balances With Schedule Banks	15,167	18,615
	<b>Total:</b>	<b>5,24,126</b>	<b>5,27,574</b>

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash

Note: 1 Flow

Note: 2 Changes in liability arising from financing activities

	1st April, 2018	Cash Flows		31st March, 2019
		Receipts	Payments	
Current Borrowings	-	-	-	-
Non Current Borrowings	-	-	-	-
<b>Total</b>	-	-	-	-

	1st April, 2018	Cash Flows		31st March, 2019
		Receipts	Payments	
Current Borrowings	-	-	-	-
Non Current Borrowings	-	-	-	-
<b>Total</b>	-	-	-	-

As per our report of even date attached herewith.

For, BHAVIN M SHAH & ASSOCIATES  
Chartered Accountants

For, Vax Housing Finance Corporation Ltd.

Bhavin M. Shah  
Proprietor  
Mem Mo. 171455  
FRN. : 144046W  
UDIN: 20171455AAAAO6348

Mg. Director Director

Place : Ahmedabad  
Date: 31/07/2020

Place : Ahmedabad  
Date: 31/07/2020

**VAX HOUSING FINANCE CORPORATION LIMITED**

CIN : L52100GJ1994PLC023147

301, Simandhar Estate, Near Sakar-III, Income Tax, Ahmedabad 380014

**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020**

A. Equity share capital		AMOUNT IN `
Particulars	Amount	
As at 1 April 2018	12,00,32,000	
Changes in equity share capital during the year	-	
As at 31 March 2019	12,00,32,000	
Changes in equity share capital during the year	-	
As at 31 March 2020	12,00,32,000	

B. Other Equity		Reserve and surplus					Items of other comprehensive income				
Particulars	Equity component of compound financial instruments	Securities Premium	General Reserve	Reserve (specify nature)#	Retained Earnings	Debt (or Equity) instrument through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Other Components (Specify nature)	Actuarial Gain / (Loss)	Total	
<b>As at 1st April, 2018</b>	-	29,77,10,000	-	-	95,80,768	-	-	-	-	30,72,90,768	
Profit / (Loss) for the period	-	-	-	-	36,404	-	-	-	-	36,404	
Other Comprehensive Income / (Loss)	-	-	-	-	-	-	-	-	-	-	
Total Comprehensive Income for the year	-	-	-	-	36,404	-	-	-	-	36,404	
Dividend paid on Equity Shares	-	-	-	-	-	-	-	-	-	-	
Dividend Distribution Tax	-	-	-	-	-	-	-	-	-	-	
Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	
Transfers from retained earnings	-	-	-	-	-	-	-	-	-	-	
Any other changes (to be specified)	-	-	-	-	-	-	-	-	-	-	
<b>As at 31st March, 2019</b>	-	29,77,10,000	-	-	96,17,172	-	-	-	-	30,73,27,172	
Balance at 31 March 2019 as previously reported	-	-	-	-	-	-	-	-	-	-	
Impact of change in accounting policy	-	-	-	-	-	-	-	-	-	-	
<b>Adjusted Balance As at 31st March, 2019</b>	-	29,77,10,000	-	-	96,17,172	-	-	-	-	30,73,27,172	
Profit / (Loss) for the period	-	-	-	-	74,179	-	-	-	-	74,179	
Other Comprehensive Income / (Loss)	-	-	-	-	-	-	-	-	-	-	
Total Comprehensive Income for the year	-	-	-	-	74,179	-	-	-	-	74,179	
Dividend paid on Equity Shares	-	-	-	-	-	-	-	-	-	-	
Dividend Distribution Tax	-	-	-	-	-	-	-	-	-	-	
Transfers to Reserves	-	-	-	-	-	-	-	-	-	-	
Transfers from retained earnings	-	-	-	-	-	-	-	-	-	-	
Any other changes (to be specified)	-	-	-	-	-	-	-	-	-	-	
<b>As at 31st March, 2020</b>	-	29,77,10,000	-	-	96,91,351	-	-	-	-	30,74,01,351	

As per our report of even date attached herewith.

For, BHAVIN M SHAH & ASSOCIATES  
Chartered Accountants

Bhavin M. Shah  
Proprietor  
Mem Mo. 171455  
FRN : 144046W  
UDIN:20171455AAAAA06348

Place : Ahmedabad  
Date: 31/07/2020

For, Vax Housing Finance Corporation Ltd.

Mg. Director      Director

Place : Ahmedabad  
Date: 31/07/2020

**(B) Other Notes to Financial Statements****1 Property, Plant and Equipment**

Particulars	Rate	GROSS BLOCK					DEPRECIATION, AMORTISATION AND IMPAIRMENT					NET BLOCK	
		At 1 April 2019	Additions	Adjustments	Deductions	At 31 March 2020	At 1 April 2019	Depreciation charge for the year	Adjustments	Deductions	At 31 March 2020	At 31 March 2020	At 31 March 2019
Computer	63.16%	495,700	-	-	-	495,700	495301	252	-	-	495553	147	399
Furniture	25.89%	1,430,000	-	-	-	1,430,000	1197430	60212	-	-	1257642	172,358	232,570
Own Use													
		<b>1,925,700</b>	-	-	-	<b>1,925,700</b>	<b>1,692,731</b>	<b>60,464</b>	-	-	<b>1,753,195</b>	<b>172,505</b>	<b>232,969</b>

**Previous Year ended March 31, 2019**

Particulars	Rate	GROSS BLOCK					DEPRECIATION, AMORTISATION AND IMPAIRMENT					NET BLOCK	
		At 1 April 2018	Additions	Adjustments	Deductions	At 31 March 2019	At 1 April 2018	Depreciation charge for the year	Adjustments	Deductions	At 31 March 2019	At 31 March 2019	At 31 March 2018
Computer	63.16%	495,700	-	-	-	495,700	494618	683	-	-	495301	399	1,082
Furniture	25.89%	1,430,000	-	-	-	1,430,000	1116183	81247	-	-	1197430	232,570	313,817
Own Use													
		<b>1,925,700</b>	-	-	-	<b>1,925,700</b>	<b>1,610,801</b>	<b>81,930</b>	-	-	<b>1,692,731</b>	<b>232,969</b>	<b>314,899</b>

## 2 Investments

### Non-current Investments

	Particulars	Paid up value	As at 31st March, 2020		As at 31st March, 2019	
			No. of Shares	Rupees	No. of Shares	Rupees
<b>A.</b>	<b>Investment in equity instruments</b>					
	<b>Quoted-Others (at fair value through OCI)</b>	-	-	-	-	-
	<b>Unquoted</b>					
	Other Investements	-	-	8,286,510	-	8,286,510
	<b>Total</b>		-	<b>8,286,510</b>	-	<b>8,286,510</b>
	Less: Aggregate amount of provision for impairment in the value of investments		-	-	-	-
	<b>Unquoted</b>					
	Aggregate carrying value		-	8,286,510	-	8,286,510
	<b>Investment At Cost</b>		-	-	-	-
	<b>Investment at fair value through other comprehensive income</b>		-	-	-	-

## 3 Trade Receivables

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Unsecured and considered good</b>		
— From Others	7,997,950	8,325,798
Less: Allowance for doubtful debts	-	-
<b>Total Trade Receivables</b>	<b>7,997,950</b>	<b>8,325,798</b>

## 4 Loans

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-Current	Current	Non-Current	Current
<b>Loans</b>				
to other body corporate	92,263,995	8,798,120	91,587,797	8,765,620
Less: Allowance for doubtful loans (Considered doubtful)	-	-	-	-
<b>Total</b>	<b>92,263,995</b>	<b>8,798,120</b>	<b>91,587,797</b>	<b>8,765,620</b>
<b>Note:</b>				
Considered good	92,263,995	8,765,620	91,587,797	8,765,620
Considered doubtful, provided:				
Loans to other body corporate	-	-	-	-
Loans to related parties	-	-	-	-

## 5 Income Taxes

### (a) Current Tax Liability

Particulars	As at 31st March, 2020	As at 31st March, 2019
Opening Balance	15,000	10,000
Add: Current Tax Payable for the year	17,000	15,000
Less: Taxes Paid	15,000	10,000
<b>Closing Balance</b>	<b>17,000</b>	<b>15,000</b>

The closing balance of current tax liability is net of advance tax and tax deducted at source

### (b) Current Tax Asset

Particulars	As at 31st March, 2020	As at 31st March, 2019
Opening Balance	-	-
Add: Current Tax Payable for the year	-	-
Less: Taxes Paid	-	-
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

The closing balance of current tax asset is net of provision for tax.

### (c) Deferred Tax Assets

The breakup of Deferred tax asset is as follows:

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Deferred Tax Asset – [A]</b>	-	-
Provision for Employee Benefits	-	-
Warranty Provisions	-	-
Loss allowance on Financial and Contract Assets	-	-
Others	-	-
<b>Deferred Tax Liability – [B]</b>	<b>2,051</b>	<b>252</b>
Written Down Value of Fixed Assets	1,799	(1,748)
Others	-	-
<b>Net Deferred Tax Asset [A-B] DTA (DTL)</b>	<b>(2,051)</b>	<b>(252)</b>

#### Movement in Deferred Tax Assets

Particulars	Charge/(Credit) to Statement of P&L		Charge/(Credit) to OCI	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Deferred Tax Asset –	-	-	-	-
Deferred Tax Liability –	-	-	-	-
Written Down Value of Fixed Assets	1,799.00	(1,748.00)	-	-
<b>Total</b>	<b>1,799.00</b>	<b>(1,748.00)</b>	<b>-</b>	<b>-</b>

### (d) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2019 and 31 March 2020:

Particulars	For the year ended	
	31st March, 2020	31st March, 2019
Accounting profit before income tax	74,179	49,656
Income tax at India's statutory income tax rate of 26% (31 March 2019: 26%)	19,287	12,911
Adjustments in respect of current income tax of previous years	-	-
Income exempted from tax	-	-
Utilisation of previously unrecognised tax losses	-	-
Non-deductible expenses for tax purposes	60,464	81,930
<b>Income tax expense recognised in statement of profit and loss</b>	<b>52,890</b>	<b>28,252</b>
<b>Income tax at effective tax rate</b>	<b>71.30</b>	<b>56.90</b>

### (e) Income tax expense reported in the Statement of Profit and Loss-Contingent Liability and Commitments

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>a) Capital commitments towards</b>		
i) Property, plant and equipment contracts remaining to be executed on capital account not provided for (net of advances)	-	-
ii) Uncalled amount on investment in share	-	-
iii) Financial commitment to provide capital/ loan to subsidiary company	-	-
<b>b) Contingent liabilities</b>		
i) Claims against the Company not acknowledged as debts	-	-
ii) Income Tax disputes	-	-
iii) Indirect Tax disputes	-	-
iv) Guarantees excluding financial guarantees	-	-
v) Financial Guarantees	-	-

## 6 Other Assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>(A) Other Non-Current Assets</b>		
Capital Advances		
— Advance for Fixed Assets	316,346,636	316,346,636
<b>Total of Other Non-current Assets</b>	<b>316,346,636</b>	<b>316,346,636</b>
<b>(B) Other Current Assets</b>		
Others		
— TDS Receivable	50,850	47,700
<b>Total of Other current Assets</b>	<b>50,850</b>	<b>47,700</b>

A. Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member should be separately stated.

## 7 Cash and Bank Balance

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Assets</b>		
<b>Current Assets</b>		
Financial Assets	-	-
Cash and cash equivalents	524,126	527,574
Bank balances other than cash and cash equivalent	-	-

### Cash and Cash Equivalents:

Particulars	As at 31st March, 2020	As at 31st March,
<b>Balances with banks</b>		
On current accounts	15,167	18,615
Fixed deposits with maturity of less than 3 months	-	-
Cheques/drafts on hand	-	-
Cash on hand	508,959	508,959
<b>Total</b>	<b>524,126</b>	<b>527,574</b>

There are no repatriation with regard to Cash and Cash Equivalents as at the end of the reporting period and prior periods. In the Balance Sheet of Company, Cash comprises cash on hand and demand deposits. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purpose.



## 7 Equity Share Capital

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Authorized:</b>		
14000000 (As at 31st March 2019 14000000) Equity Shares of Rs.10/- each	140,000,000	140,000,000
<b>Issued and Subscribed and Paid Up :</b>		
12003200 (As at 31st March 2019 12003200) Equity Shares of Rs.10/- each	120,032,000	120,032,000

### 7.1 Reconciliation of number of Ordinary (Equity) Shares and amount outstanding :

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	₹	No. of Shares	₹
<b>Equity Shares</b>				
<b>Issued and Subscribed :</b>				
Balance as at the beginning of the year	12,003,200	120,032,000	12,003,200	120032000
<b>Add :</b> Issued during the year for cash	-	-	-	-
<b>Add :</b> Shares issued to ESOP Trust	-	-	-	-
<b>Balance as at the end of the year</b>	<b>12,003,200</b>	<b>120,032,000</b>	<b>12,003,200</b>	<b>120,032,000</b>
Adjusted Issued and Subscribed Share Capital	12,003,200	120,032,000	12,003,200	120,032,000

### 7.2 Details of Ordinary (Equity) Shares held by shareholders holding more than 5% of the aggregate shares in the Company :

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	%	No. of Shares	%	No. of Shares
Shubhkaran Trilokchand Agrawal	11.50	1380100	11.50	1380100
Air Travel Services Private Limited	9.16	1100000	9.16	1100000
Mayur Pulses Private Limited	10.00	1199850	10.00	1200000
Suburban Colling Towers Private Limited	5.83	700000	5.83	700000
The Billon Investments Private Limited	9.16	1099164	9.16	1100000

### 7.3 Rights, preferences and restrictions attached to shares Equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all referential amounts, in proportion to their shareholding

### 7.4 Dividend

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Cash dividends on equity shares declared and paid</b>		
Final dividend for the year ended on 31 March 2019: Rs 0 per share ( Rs 0 per share)	-	-
Dividend Distribution Tax on final dividend	-	-
Interim dividend for the year ended on 31 March 2020: Rs 0 per share (Rs 0 per share)	-	-
	-	-
<b>Proposed dividends on Equity shares</b>		
Final dividend for the year ended on 31 March 2020: Rs 0 per share ( Rs 0 per share)	-	-
Dividend Distribution Tax on proposed dividend	-	-
	-	-

**8 Other Equity:**

Particulars	As at March 31, 2020		As at March 31, 2019	
<b>Capital Reserve</b>				
Opening		297,710,000		297,710,000
Addition:		-		-
Closing		297,710,000		297,710,000
<b>Securities Premium</b>				
Opening		-		-
Add: Premium on equity shares issued during the year		-		-
Closing		-		-
<b>Retained Earnings</b>				
Opening		9,617,172		9,580,768
Add: Net Profit for the year as per the Statement of Profit and Loss		21,289		36,404
Closing		9,638,461		9,617,172
<b>Other Comprehensive Income</b>				
Opening		-		-
Add: Net Comprehensive Income as per the Statement of Profit and Loss		-		-
Closing		-		-
<b>Total</b>		<b>307,348,461</b>		<b>307,327,172</b>

**Nature and Purpose of Reserves****a Capital Reserve**

It has been created during the Business Combinations in earlier periods.

**b Securities Premium**

Securities premium account is credited when the shares are allotted at premium. It can be used to issue bonus shares, to provide for premium on redemption of debentures, write-off equity related expenses like underwriting costs, etc. in accordance with the provisions of Companies Act, 2013.

**c Other Comprehensive Income**

(i) The company has elected to recognise changes in the fair value of investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments within equity.

(ii) Remeasurements of defined benefit liability comprises of actuarial gains and losses

**9 Provision**

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non- current	Current	Non- current	Current
Others	-	-	-	-
<b>TOTAL</b>	-	-	-	-

**10 Other liabilities**

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non- current	Current	Non- current	Current
Others				
— Other IT Provision	6,436,180	-	6,436,180	-
— Audit Fees Provision	-	15,000	-	15,000
— Unpaid Listing	-	590,000	-	295,000
<b>TOTAL</b>	<b>6,436,180</b>	<b>605,000</b>	<b>6,436,180</b>	<b>310,000</b>

**11 Other Income**

Particulars	2019-20	2018-19
<b>Interest Income from:</b>		
Interest Income Others	508,500	477,000
Interst on Income Tax Refund	1,391	-
<b>Total Other Income</b>	<b>509,891</b>	<b>477,000</b>

**12 Finance Cost**

Particulars	2019-20	2018-19
<b>Interest and finance charges on financial liabilities carried at amortised cost</b>		
Other Charges	248	414
<b>Total Finance Cost</b>	<b>248</b>	<b>414</b>

**13 Depreciation and Amortisation expenses**

Particulars	2019-20	2018-19
Depreciation on plant, property and equipment	60,464	81,930
<b>Total depreciation and Amortisation expenses</b>	<b>60,464</b>	<b>81,930</b>

**14 Other Expenses**

Particulars	2019-20	2018-19
Auditor's Remuneration (refer Note 27.1)	15,000	15,000
Legal and Professional fees	35,000	9,000
Listing Fees	295,000	295,000
Rent Expense	30,000	-
Miscellaneous Expenses	-	26,000
	<b>375,000</b>	<b>345,000</b>

**Note 14.1 :****Payment to Auditors**

Particulars	2019-20	2018-19
<b>As Auditor:</b>		
— Audit Fee	15,000	15,000

**15 Earnings per Share:**

In accordance with the Indian Accounting Standard (Ind AS) 33 on 'Earnings Per Share':

Basic earnings per share is computed by dividing the net profit after tax for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit after tax for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Particulars	2019-20	2018-19
Net Profit as per statement of Profit and Loss Account	21,289	36,404
Average number of Equity Shares	12,003,200	12,003,200
Basic Earnings Per Share	0	0
Diluted Earnings Per Share	0	0
Face Value Per Share	10	10

16 Related party transactions

The following table provides the list of related parties and total amount of transactions that have been entered into with related parties for the relevant financial year:

A  
a) Key Managerial Personnel

Sr. No.	Name	Designation
1	Vijaysingh Nanusingh Rathore	Managing Director
2	Kailash Gangasahay Gupta	Managing Director
	<b>Non Executive Director</b>	
3	Satish Chand	Director
4	Nilesh Arvindkumar Shah	Director
5	Julie Pareshbhai Joshi	Director

b) Close family members of Key Managerial Personnel

Sr. No.	Name	Relation	Designation
1	Saroj V Rathore		Wife of Managing Director
2	Bharti K. Gupta		Wife of Managing Director
3	Vishnukumar Gupta		Brother of Managing Director
4	Namichand G Agrawal		Brother of Managing Director

c) Entities where Directors/Close family members of Directors having control/significant influence

1	Brummels Fashions Private Limited
2	Liverpool Retail India Limited

B Details of Related Party Transactions during the year ended 31st March, 2020

a) Name of Related Party where Control exists and also where transactions have taken place during the year

Sr. No.	Name	Type
-	-	-

b) Key Management personnel compensation

Sr. No.	Particulars	2019-20	2018-19
1	Short-term employee benefits	-	-
2	Post-Employment benefits	-	-
3	Long-Term employee benefits	-	-
4	Termination benefits	-	-
5	Employee shared based payments	-	-
	<b>Total compensation</b>	-	-

c) Transactions with related parties

Sr. No.	Particulars	2019-20	2018-19	Relationship
-	-	-	-	-

d) Outstanding balances

Sr. No.	Particulars	2019-20	2018-19	Relationship
-	-	-	-	-

e) Loans to/from related parties

Sr. No.	Particulars	2019-20	2018-19	Relationship
-	-	-	-	-



**VAX HOUSING FINANCE CORPORATION LIMITED**  
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PH.: 079-4006 6963 EMAIL: vax1994@yahoo.com

**Notes forming part of the standalone financial statements**

**17. Company Overview**

Vax Housing Finance Company Limited ('the Company' or 'the Company') was incorporated in 1994 in India as a limited company having its Corporate office at 301, Simandhar Estate, Nr. Sakar-III, Income Tax, Ahmedabad 380014, Gujarat, INDIA. The principal business of the company is providing financial services. The Company is a public limited company and its shares are listed on the Bombay Stock Exchange (BSE), India.

**18. Basis of Preparation and Presentation**

**18.1 Statement of Compliance and basis of preparation and presentation**

The standalone financial statements ("financial statements") have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and relevant amendment rules issued thereafter ("Ind AS").

The standalone financial statements have been prepared and presented on going concern basis and at historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained below, the relevant provisions of the Companies Act, 2013 (the "Act"). The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division II of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

Amounts in the financial statements are presented in Indian Rupees rounded off to two decimal places as permitted by Schedule III to the Act. Per share data is presented in Indian Rupee to two decimal places.

Accounting policies have been consistently applied except where a newly-issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

**18.2 Functional and Presentation Currency**

The financial statements are presented in Indian Rupees (₹) which is the functional and the presentation currency of the company and all values are rounded to the nearest Indian Rupees with two decimals, except when otherwise indicated.

**18.3 Basis of Measurement**

The financial statements have been prepared on historical cost basis except for certain financial instruments that are measured at fair values.

A historical cost is a measure of value used in accounting in which the price of an asset on the balance sheet is based on its nominal or original cost when acquired by the Company.



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### **Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

Fair value measurements under Ind AS are categorised into fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access on measurement date.
- Level 2 inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 where unobservable inputs are used for the valuation of assets or liabilities.

### **18.4 Use of Estimates and Judgements**

The preparation of the financial statements in conformity with Indian Accounting Standards (“Ind AS”) requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognised prospectively. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

#### **18.4.1 Determination of Expected Credit Loss (“ECL”)**

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement.

In particular, the estimation of the amount and timing of future cash flows based on Company’s historical experience and collateral values when determining impairment losses along with the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

Elements of the ECL models that are considered accounting judgements and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on collective basis.
- Company’s criteria for assessing if there has been a significant increase in credit risk.



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- Development of ECL models, including choice of inputs / assumptions used.

#### **18.4.2 Fair Valuation of Investments**

Some of the Company's Investments are measured at fair value. In determining the fair value of such Investments, the Company uses quoted prices (unadjusted) in active markets for identical assets or based on inputs which are observable either directly or indirectly.

However, in certain cases, the Company adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Company has applied appropriate valuation techniques and inputs to the valuation model.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

#### **18.4.3 Income Taxes**

The Company's tax jurisdiction is in India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for certain tax positions.

#### **18.4.4 Evaluation of Business Model**

Classification and measurement of financial instruments depends on the results of the Solely Payments of Principal and Interest on the principal amount outstanding ("SPPI") and the business model test. The Company determines the business model at a level that reflects how the Company's financial instruments are managed together to achieve a particular business objective.

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

#### **18.4.5 Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

##### **An asset is treated as current when it is:**

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.



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The Company classifies all other assets as non-current.

**A liability is current when:**

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

**19. Significant Accounting Policies**

**19.1 Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

**19.1.1 Interest**

Interest income on financial instruments is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate applicable.

Effective Interest Rate (“EIR”)

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets measured at fair value through profit and loss (“FVTPL”), transaction costs are recognised in the statement of profit and loss at initial recognition.

Interest income/expenses is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets/liabilities (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

**19.2 Property, Plant and Equipment (“PPE”)**

PPE held for use are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

PPE is recognised when it is probable that future economic benefits associated with the item is expected to flow to the Company and the cost of the item can be measured reliably. PPE is stated at





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original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes professional fees related to the acquisition of PPE.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

### **19.3 Depreciation and Amortisation**

Depreciation is recognised using written down method so as to write off the cost of the assets less their residual values over their estimated useful lives specified in Schedule II to the Act, or in case of assets where the estimated useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/residual value is recognised on prospective basis.

Depreciation for additions to/deductions from, owned assets is calculated pro rata to the period of use.

The useful lives for these assets are as prescribed under Part C of Schedule II of the Act.

### **19.4 Impairment of Assets other than Financial Instruments**

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, are tested for impairment so as to determine the impairment loss, if any.

### **19.5 Dividends on Ordinary Shares**

The Company recognises a liability to make cash to equity holders of the Company when the dividend is authorised and the distribution is no longer at the discretion of the Company. As per the companies laws in India, an interim dividend is authorised when it is approved by the Board of Directors and final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### **19.6 Cash and Cash Equivalents**

Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short-term deposits with banks (with an original maturity of three months or less from the date of placement) and cheques on hand. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

### **19.7 Securities Premium Account**



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Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares and issue expenses of securities which qualify as equity instruments.

### **19.8 Segments**

The Company's main business principal business of investment and acquiring or otherwise and hold sell, by or otherwise deal in shares, debentures, debenture stocks, bonds, units, obligations and securities issued or guaranteed by Indian or foreign governments, states, dominions, sovereigns, municipalities or public authorities or bodies and by any company, corporation, firm or person whether incorporated in India or elsewhere and to manage investment pools and financial services. Company has also engaged in business of real estate. All other activities of the company revolve around the main business. This in the context of Ind AS 108 – Operating Segments reporting is considered to constitute one reportable segment.

### **19.9 Earnings per share**

Basic earnings per share is computed by dividing profit or loss attributable to ordinary equity holders by the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of shares and dilutive potential shares, except where the result would be antidilutive.

### **19.10 Taxes on Income**

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit and loss except when they relate to items that are recognized outside statement of profit and loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside statement of profit and loss.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date, and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.



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Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Significant accounting estimates and judgements are involved in determining Company's tax charge for the year which includes an interpretation of local tax laws, judicial pronouncements and an assessment whether the tax authorities will accept the position taken. These judgements, also, take account of external advice, wherever appropriate, and the Company's view on settling with the tax authorities.

The Company provides for current tax liabilities at the best estimate that is expected to be paid to the tax authorities where an outflow is probable.

#### **19.11 Provisions, Contingent Liabilities and Contingent Assets**

##### **Provisions are recognised only when:**

- (i) The Company has a present obligation (legal or constructive) as a result of a past event; and
- (ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.

##### **Contingent liability is disclosed in case of:**

- (i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or
- (ii) A present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

##### **Contingent Assets:**

Contingent assets are not recognised in the financial statements.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

#### **19.12 Statement of Cash Flows**

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities.



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Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- i. changes during the period in operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses; and
- iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

## **20. Financial Instruments**

### **(I) Financial Assets**

#### **(i) Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

#### **(ii) Impairment of financial assets**

Expected credit losses are measured through a loss allowance at an amount equal to:

- (a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- (b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rate are reviewed and changes in the forward looking estimates are analyzed.

For other assets, the Company uses 12 month expected credit losses to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime expected credit losses is used.

### **(II) Financial Liabilities**

#### **(i) Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost.

### **Exposure to liquidity risk**



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The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements

(Amount in `)

<b>Financial liabilities 31 March 2020</b>	<b>Carrying amount</b>	<b>0-1 years</b>	<b>1-3 years</b>	<b>3-5 years</b>	<b>&gt;5 years</b>	<b>Total</b>
<b>Non-derivative financial liabilities</b>						
Non-current borrowings	-	-	-	-	-	-
Current borrowings	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-
<b>Total Non-Derivative Liabilities</b>	-	-	-	-	-	-
<b>Derivative financial liabilities</b>						
Forward exchange contracts	-	-	-	-	-	-
<b>Total Derivative Liabilities</b>	-	-	-	-	-	-

<b>Financial liabilities 31 March 2019</b>	<b>Carrying amount</b>	<b>0-1 years</b>	<b>1-3 years</b>	<b>3-5 years</b>	<b>&gt;5 years</b>	<b>Total</b>
<b>Non-derivative financial liabilities</b>						
Non-current borrowings	-	-	-	-	-	-
Current borrowings	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-
<b>Total Non-Derivative Liabilities</b>	-	-	-	-	-	-
<b>Derivative financial liabilities</b>						
Forward exchange contracts	-	-	-	-	-	-
<b>Total Derivative Liabilities</b>	-	-	-	-	-	-

## **21. COVID-19 Effect on Financial Performance**

On March 11, 2020, the World Health Organization declared the novel coronavirus (COVID-19) as a pandemic. Besides the toll that this outbreak has had on human life, it has also disrupted the social, economic and financial structures of the entire world. In India, from March 25, 2020 to May 31, 2020, the central government declared a national lockdown, restricting the movement of the entire population of the country as a preventive measure against the spread of COVID-19.

There remains a high level of uncertainty about the duration of the lockdown and the time required for life and business operations to normalize. The extent to which the COVID-19 pandemic will impact the Company's business and financial statement is at this juncture, dependent on future developments, which are highly uncertain.



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**22. Events after the reporting period**

There have been no events after the reporting date that requires disclosure in these financial statements.

**23. Approval of financial statements**

The financial statements were approved by the board of directors of the Company on 31<sup>st</sup> July,2020.

**For, Bhavin M Shah & Associates**

Chartered accountant

Firm Registration No : 144046W

**CA Bhavin M Shah**

Proprietor

Membership No.171455

UDIN: 20171455AAAAAO6348

Place : Ahmedabad

Date : 30th July, 2020



# VAX HOUSING FINANCE CORPORATION LIMITED

## ATTENDANCE SHEET

I Shri / Smt.....of ..... Being a member / proxy of Vax Housing Finance Corporation Limited do hereby record my presence at the 26th Annual General Meeting of the member of the Company to be held on Sunday the 27<sup>th</sup> September,2020 at 03:00 P.M. at Radisson Blu Hotel Ahmedabad, Near Panchvati Cross Roads, Off C.G.Road, Ambawadi, Ahmedabad.

FOLOI NO / CLIENT I.D.	
D.P. ID.	
D.P. NAME.	
NAME OF SHAREHOLDER	
NUMBER OF SHARE HELD	

Date:

Place:

\_\_\_\_\_  
(Signature of the Member/ Proxy attending the Meeting)



# VAX HOUSING FINANCE CORPORATION LIMITED

Form No. MGT- 11

[PROXY FORM]

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

FOLOI NO / CLIENT I.D.	
D.P. ID.	
D.P. NAME.	
NAME OF SHAREHOLDER	
NUMBER OF SHARE HELD	
TYPE OF SHARES HELD	
REGISTERED ADDRESS.	
E.Mail Address.	

I/We being a member of VAX HOUSING FINANCE CORPORATION LIMITED, holding .....Shares in the Company do hereby appointed

Sr.No.	Name, Address and E.Mail ID.	Specimen Signature.

OR FAILING HIM.

Sr.No.	Name, Address and E.Mail ID.	Specimen Signature.

OR FAILING HIM

Sr.No.	Name, Address and E.Mail ID.	Specimen Signature.





## VAX HOUSING FINANCE CORPORATION LIMITED

to remain present at the 26<sup>th</sup> Annual General Meeting of the Company to be held on Sunday the 27<sup>th</sup> September, 2020 at 03.00 P.M. at Radisson Blu, Near Panchvati Cross Roads, Ellisbridge, Ahmedabad: 380 006, Gujarat, India or at any adjournment thereof and to vote for and on my behalf if poll is granted in respect of the Resolutions as are indicated below.

Sr.No.	Description of Business/ Resolution	Type of Resolution.
(1)	Adoption of the Audited Annual Report/ Financial Statement for the financial Year ended on 31/03/2020	Ordinary Resolution.
(2)	Subject to Ratification by the members in general meeting, to confirm the appointment of Statutory Auditors of Company M/s. Bhavin M. Shah & Associates, Chartered Accountants Firm Registration No. 144046W who is appointed up to Financial years 2023-24, be and is hereby re-appointed for the financial year 2020-2021 and to authorize the Board to fix their remuneration.	Ordinary Resolution.

Affix Rs.1/-  
revenue  
stamp

Date :

Place :

(Signature of the member appointing a proxy)

Proxy form duly stamped, signed and completed in all respect should be deposited 48 hours before the time fixed for the meeting at the registered office of the company.

**Note:**

1. This form of proxy in order to be effective should be duly stamped, completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. Those Members who have multiple folios with different joint holders may use copies of this Attendance Slip/Proxy.
3. Proxy need not be a member of the Company.
4. A person can act as Proxy on behalf of not more than fifty (50) members and holding in aggregate not more than ten percent of total share capital of the Company. Members holding more than ten percent of total share capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other member.



# VAX HOUSING FINANCE CORPORATION LIMITED

Form No. MGT-12

## Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

**Name of the Company:** VAX HOUSING FINANCE CORPORATION LIMITED  
**Registered Office:** 301, SIMANDHAR ESTATE, NR SAKAR-III INCOMETAX AHMEDABAD GJ 380014 IN  
**CIN:** L52100GJ1994PLC023147  
**NO. OF AGM:** 26th ANNUAL GENERAL MEETING  
**DATE:** 27<sup>TH</sup> SEPTEMBER, 2020  
**DAY:** SUNDAY  
**PLACE OF AGM:** RADISSON BLUE, NEAR PANCHVATI CROSS ROADS, ELLISBRIDGE, AHMEDABAD: 380 006.  
**TIME:** 03.00 P.M.

### BALLOTPAPER

S No.	Particulars	Details
1	Name of the first named Shareholder (In Block Letters)	
2	Postal address	
3	Registered Folio No. / *Client ID No. (*applicable to investors holding shares in dematerialized form)	
4	Class of Share	Equity
5.	Number of Shares held as on date of AGM.	

I hereby exercise my vote in respect of Resolutions enumerated below which are proposed to be passed as ORDINARY / SPECIAL RESOLUTION by recording my assent or dissent to the said resolutions in the following manner:

No.	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
1	To adopt the Audited Financial Statements of the Company for the financial year ended on 31 <sup>st</sup> March, 2020 along with the reports of Directors and Auditors thereon. (ORDINARY RESOLUTION)			
2.	Subject to Ratification by the members in general meeting, to confirm the appointment of Statutory Auditors of Company M/s. Bhavin M. Shah & Associates, Chartered Accountants Firm Registration No. 144046W who is appointed up to Financial years 2023-24, be and is hereby re-appointed for the financial year 2020-2021 and to authorize the Board to fix their remuneration.			

Place:

Date:

(Signature of Shareholder)



**VAX HOUSING FINANCE CORPORATION LIMITED**



**BOOK-POST**

**VAX HOUSING FINANCE CORPORATION LIMITED**

**If Undelivered please return to :**

**VAX HOUSING FINANCE CORPORATION LIMITED**

**Registered Office :- III Floor, Simandhar Estate,**

**Opp. Sakar III, Income Tax, Ahmedabad - 380014.**