

February 13, 2020

LISTING DEPARTMENT
BSE LIMITED
PHIROZE JEEJEEBHOY TOWERS
DALAL STREET
MUMBAI - 400 001

Scrip Code: 511333

Email: vls@vlsfinance.com

Re: Outcome of Board Meeting held on 13/02/2020.

Dear Sir/Madam,

We inform you that pursuant to regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), 2015, the Board at its meeting held today, which commenced at 2:30 p.m. and concluded 7:20 p.m., inter-alia, considered and approved the Un-Audited Consolidated and Standalone Financial Results for the quarter ended 31st December, 2019.

In this connection, we enclose herewith the following:

- a. Limited Review Report on the standalone un-audited financial results for the quarter ended December 31, 2019 alongwith the said results. It is hereby declared that there are no adverse comments by the Statutory Auditors in their report.
- b. Limited Review Report on the consolidated un-audited financial results for the quarter ended December 31, 2019 alongwith the said results. It is hereby declared that there are no adverse comments by the Statutory Auditors in their report.
- c. The aforesaid results are also being published in newspapers as per requirement of the listing regulations and placed on the website of the Company.

You are requested to take it on record and acknowledge.

Thanking you,
For VLS Finance Ltd.


H. Consul
Company Secretary
M. No. A11183

- Copy to:
- 1) The National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051
 - 2) The Calcutta Stock Exchange Association. Ltd., 7, Lyons Range, Kolkata- 700 001

Scrip Code:
VLSFINANCE

032019



M. L. PURI & CO.
CHARTERED ACCOUNTANTS

407, New Delhi House
27, Barakhamba Road
New Delhi - 110 001
☎ 011-41511406, 41511407
E-mail : camlpuri@gmail.com
Website:www.mlपुरि.com

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

TO THE BOARD OF DIRECTORS OF VLS FINANCE LTD.

We have reviewed the accompanying statement of standalone unaudited financial results (the statement) of **VLS FINANCE LIMITED** for the **Quarter ended 31st December, 2019**. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



For M. L. Puri & Co.
Chartered Accountants
(FRN -002312N)

M.L. Puri
Partner
(M. No.009198)

UDIN:20009198AAAAAP1098

Place: New Delhi
Date: 13th February, 2020

Branches

Mumbai
022-28206969

Jaipur
0141-2605453

Faridabad
9810190267

Patna
9630918370



Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

TO THE BOARD OF DIRECTORS OF VLS FINANCE LTD.

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results (the Statement) of VLS Finance Ltd. ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended **31st December, 2019**, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended **31st December, 2018**, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Subsidiaries:
VLS Securities Ltd.
VLS Asset Management Ltd.



Branches

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matter

The Group's share of net profit/(loss) and comprehensive income /loss in respect of associates other than VLS Capital Ltd. are not required to be considered in these financial results as the Group does not have significant influence over them and as per Ind AS 28, they are not covered under the definition of associates for compulsory consolidation of financial results. Further, the Group's share of net profit/(loss) and comprehensive income / loss and other financial figures in respect of VLS Capital Ltd. are also not considered. Our conclusion is not modified in respect of the above matter.

7. The consolidated unaudited financial results includes the interim financial statements/ financial results of two subsidiaries which have not been reviewed by their auditors, whose interim financial statements/ financial results reflect total revenue of Rs.39.83 lakh, and Rs.256.64 lakh, total net profit/(loss) after tax of Rs. (18.93) lakh and Rs. 86.31 lakh and total comprehensive income/(loss) of Rs.11584.51 lakh and Rs.24276.45 lakh for the quarter ended **31st December, 2019**, and for the period from 01.04.2019 to 31.12.2019, respectively, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.



For M. L. Puri & Co.
Chartered Accountants
(FRN -002312N)

A handwritten signature in black ink, appearing to be "M.L. Puri".

M.L. Puri
Partner
(M. No.009198)

Place: New Delhi
Date: 13th February, 2020

UDIN: 20009198AAAAQ2520

VLS FINANCE LTD.

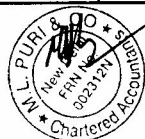
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Ph: 91(11) 46656666 Fax: 91(11) 46656699 CIN: L65910DL1986PLC023129

Email: vls@vlsfinance.com ; Website: www.vlsfinance.com

UNAUDITED Standalone FINANCIAL RESULTS FOR THE Quarter Ended 31st December, 2019

Sl. No	Particulars	(Rs.in Lakhs except Earning per share data)				
		Quarter Ended			Nine Months Ended	
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018
		Unaudited			Unaudited	
1	2	3	4	5	6	7
1	Income					
	(a) Revenue from Operations					
	(i) Interest Income	10.27	12.08	12.87	38.52	33.43
	(ii) Dividend Income	105.06	225.12	171.58	397.21	432.07
	(iii) Net gain on fair value changes	0.00	0.00	0.00	0.00	0.00
	(iv) Trading in Shares/securities (Net)	404.32	(831.80)	363.01	(829.66)	83.40
	(v) Other Operating Income	25.17	0.00	0.00	25.17	3.66
	Total (a)	544.82	(594.60)	547.46	(368.76)	552.56
	(b) Other Income	0.15	0.31	0.01	0.48	1.05
	Total (b)	0.15	0.31	0.01	0.48	1.05
	Total Income (a+b)	544.97	(594.29)	547.47	(368.28)	553.61
2	Expenses					
	(a) Finance costs	1.99	1.61	0.02	5.63	0.18
	(b) Net loss on fair value changes	1,883.82	2,116.17	423.99	3,837.30	600.44
	(c) Employee benefits expense	81.49	82.15	81.75	252.07	241.99
	(d) Depreciation and amortization expense	29.87	27.91	14.94	85.34	44.48
	(e) Other Expenses	127.49	180.75	189.64	465.28	574.21
	Total expenses	2,124.66	2,408.59	710.34	4,645.62	1,461.30
3	Profit/(Loss) before exceptional items and tax (1-2)	(1,579.69)	(3,002.88)	(162.87)	(5,013.90)	(907.69)
4	Exceptional items	0.00	0.00	0.00	0.00	0.00
5	Profit before tax (3-4)	(1,579.69)	(3,002.88)	(162.87)	(5,013.90)	(907.69)
6	Tax expenses					
	(a) Current tax	628.35	460.69	91.54	1,158.23	286.07
	(b) Deferred tax	(549.06)	(882.04)	(272.29)	(1,746.55)	(1,001.18)
	(c) Tax adjustment of earlier years (net)	0.00	9.20	8.72	9.20	8.72
	Total tax expenses	79.29	(412.14)	(172.03)	(579.12)	(706.39)
7	Profit for the Period (5-6)	(1,658.98)	(2,590.74)	9.16	(4,434.78)	(201.30)
8	Other Comprehensive Income (OCI)					
	(i) Items that will not be reclassified to profit or loss					
	Gain/(Loss) arising on Defined Employee Benefits	0.36	0.35	(0.78)	1.07	(2.34)
	Gain/(Loss) arising on fair valuation of Investments	15,438.93	9,184.02	(814.14)	29,224.72	1,564.28
	Income tax on the above	(5,395.10)	(3,209.39)	284.76	(10,212.66)	(545.81)
	(ii) Items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00
	Total Other Comprehensive Income	10,044.19	5,974.99	(530.16)	19,013.13	1,016.13
9	Total Comprehensive Income for the period (7+8)	8,385.21	3,384.26	(521.00)	14,578.35	814.83
	(Comprising Profit/(Loss) and Other Comprehensive Income for the period)					
10	Paid up equity share capital (Face value Re.10/- per share)	3,878.42	3,878.42	3,878.42	3,878.42	3,878.42
11	Earning Per Share (EPS)					
	Basic EPS (in Rs.) (Not annualised)	(4.29)	(6.70)	0.02	(11.47)	(0.52)
	Diluted EPS (in Rs.) (Not annualised)	(4.29)	(6.70)	0.02	(11.47)	(0.52)



2/ 10/20

VLS FINANCE LTD.

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UNAUDITED Consolidated FINANCIAL RESULTS FOR THE Quarter Ended 31st December, 2019

Sl. No	Particulars	(Rs.in Lakhs except Earning per share data)				
		Quarter Ended			Nine Months Ended	
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018
		Unaudited			Unaudited	
1	2	3	4	5	6	7
1	Income					
	(a) Revenue from Operations					
	(i) Interest Income	19.06	34.39	18.85	81.79	65.33
	(ii) Dividend Income	106.67	377.92	172.72	551.62	568.71
	(iii) Net gain on fair value changes	0.00	(162.69)	0.00	0.00	0.00
	(iv) Trading in Shares/securities (Net)	418.93	(831.79)	366.61	(811.60)	91.92
	(v) Other Operating Income	39.98	9.51	7.73	62.64	29.17
	Total (a)	584.64	(572.66)	565.91	(115.55)	755.13
	(b) Other Income	0.16	3.21	(0.28)	3.93	1.84
	Total (b)	0.16	3.21	(0.28)	3.93	1.84
	Total Income (a+b)	584.80	(569.45)	565.63	(111.62)	756.97
2	Expenses					
	(a) Finance costs	1.99	1.61	0.02	5.63	0.18
	(b) Net loss on fair value changes	1,911.16	2,016.78	457.59	3,933.64	740.64
	(c) Employee benefits expense	83.53	84.26	97.09	259.76	294.05
	(d) Depreciation and amortization expense	30.03	28.06	15.15	85.79	45.13
	(e) Other Expenses	146.18	198.68	194.97	519.94	590.85
	Total expenses	2,172.88	2,329.39	764.82	4,804.75	1,670.85
3	Profit /(Loss) before exceptional items and tax (1-2)	(1,588.08)	(2,898.84)	(199.19)	(4,916.37)	(913.88)
4	Exceptional items	0.00	0.00	0.00	0.00	0.00
5	Profit before tax (3-4)	(1,588.08)	(2,898.84)	(199.19)	(4,916.37)	(913.88)
6	Tax expenses					
	(a) Current tax	638.64	460.69	91.54	1,168.51	286.07
	(b) Deferred tax	(548.82)	(882.32)	(273.60)	(1,745.63)	(1,005.95)
	(c) Tax adjustment of earlier years (net)	0.00	9.20	8.72	9.20	8.72
	Total tax expenses	89.83	(412.42)	(173.34)	(567.92)	(711.16)
7	Profit after tax (5-6)	(1,677.91)	(2,486.41)	(25.85)	(4,348.45)	(202.72)
8	Profit attributable to non-controlling interests	(0.06)	0.35	(0.11)	0.29	(0.00)
9	Profit for the Period (7-8)	(1,677.85)	(2,486.76)	(25.75)	(4,348.74)	(202.72)



2/10/19

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UNAUDITED Consolidated FINANCIAL RESULTS FOR THE Quarter Ended 31st December, 2019

(Rs.in Lakhs except Earning per share data)						
Sl. No	Particulars	Quarter Ended			Nine Months Ended	
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018
		Unaudited			Unaudited	
1	2	3	4	5	6	7
10	Other Comprehensive Income (OCI)					
	(i) Items that will not be reclassified to profit or loss					
	Gain/(Loss) arising on Defined Employee Benefits	1.05	1.04	3.21	3.14	9.64
	Gain/(Loss) arising on fair valuation of Investments	33,302.95	21,078.01	(55,160.80)	66,433.33	8,567.81
	Income tax on the above	(11,656.37)	(7,365.83)	151.54	(23,233.22)	(3,001.30)
	(ii) Items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00
	Total Other Comprehensive Income	21,647.63	13,713.23	(55,006.05)	43,203.25	5,576.15
11	Total Comprehensive Income for the period (7+10)	19,969.72	11,226.82	(55,031.90)	38,854.80	5,373.43
	(Comprising Profit/(Loss) and Other Comprehensive Income for the period)					
12	Net Profit for the period attributable to:					
	Shareholders of the Company	(18.85)	103.98	(34.91)	86.04	(1.42)
	Non-controlling interests	(0.06)	0.35	(0.11)	0.29	(0.00)
13	Other Comprehensive Income attributable to:					
	Shareholders of the Company	11,564.77	7,712.45	(54,294.29)	24,109.49	4,544.82
	Non-controlling interests	38.68	25.79	(181.59)	80.63	15.20
14	Total Comprehensive Income attributable to:					
	Shareholders of the Company	11,545.93	7,816.43	(54,329.20)	24,195.53	4,543.40
	Non-controlling interests	38.61	26.14	(181.70)	80.92	15.20
15	Paid up equity share capital (Face value Re.10/- per share)	3,878.42	3,878.42	3,878.42	3,878.42	3,878.42
16	Earning Per Share (EPS)					
	Basic EPS (in Rs.) (Not annualised)	(4.34)	(6.43)	(0.07)	(11.25)	(0.52)
	Diluted EPS (in Rs.) (Not annualised)	(4.34)	(6.43)	(0.07)	(11.25)	(0.52)



2/12/19

Notes:

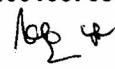
1. The above un-audited financial results for the quarter ended on 31.12.2019 were approved and taken on record in the Board meeting held on 13.02.2020 after being reviewed and recommended by the Audit Committee on the same date.
2. The limited review for the quarter ended on 31st December, 2019, as required under Regulation 33 of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 has been carried out by the Statutory Auditors. The Financial results relating to quarter ended 31st December, 2018 under Ind AS have not been subjected to limited review by the statutory auditors of the Company. However, the management has exercised due diligence to ensure that the financial results provide true and fair view of the Company affairs.
3. The Company has adopted Indian accounting standards ('Ind AS') with effect from 1 April, 2019 and consequently, these financial results have been prepared in accordance with the recognition and measurement principles laid down in 'IND AS 34- interim Financial Reporting' prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued there under and other accounting principles generally accepted in India. The date of transition to Ind AS is 1 April, 2018 and the impact of transition has been accounted for in opening reserves and the comparative period results disclosed here are restated accordingly. However, the opening balance sheet as at 1 April, 2018 and the results of the subsequent periods would get finalised alongwith the annual financial statements for the year ended 31 March, 2020.
4. There is possibility that these quarterly financial results alongwith the opening balance sheet as of 1 April, 2018 and provisional financial statement as of and for the year ended March 31, 2019 may require adjustment before constituting the final Ind AS financial statements as of and for the year ending March 31, 2020 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by MCA or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS as permitted under Ind AS 101
5. As per relaxation given in para 2.6.1 (iii) of the SEBI Circular No CIR/CFD/FAC/62/2016 dated 05.07.2016, the Ind AS compliant financial results for the previous year ended 31st March, 2019 have not been provided.
6. The Ministry of Corporate Affairs (MCA), vide its notification dated October 11, 2018 added Division III of Schedule III, which provides the format for financial statements of Non-Banking Financial Companies, as defined in the Companies (Indian Accounting Standards) (Amendments) Rules 2016. These Financial Results have been prepared in accordance with the same. The previous period figures have also undergone a reclassification to comply with the requirements of the Division III.
7. The Company has adopted Ind AS 116 "Leases" with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 - Leases and related interpretation and guidance. The Company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings as on April 1, 2019. As a result, the comparative information has not been restated.
8. The consolidated accounts have been prepared as per IND AS 110 on Consolidated Financial Statements and IND AS 28. The consolidated results as shown include the unaudited results of the subsidiaries viz. VLS Securities Ltd. and VLS Asset Management Ltd. for the quarter ended 31/12/2019. Further, results of associates as defined under the Companies Act 2013, are not considered in view of exemption provided in IND AS 28.
9. The financial results from 01.04.2019 are prepared in terms of Ind AS as required under the provisions of law. Because of this change, the financial results are reflecting a loss Rs.1658.98 lakhs (before other comprehensive income) for the quarter ended 31.12.2019. If the old system of IGAAP would have been followed by the company, there would have been profit of Rs.3182.08 lakhs (before other comprehensive income) for this quarter. This difference of Rs.4841.06 lakhs is mainly on account of change in manner of arriving at profit / loss on sale of investments and effect of taxes thereon in terms of Ind AS.
10. Previous period figures have been regrouped/reclassified wherever necessary to conform to current period classification.



By order of the Board
for VLS Finance Limited


S.K. AGARWAL
Managing Director
DIN:00106763

Place: New Delhi
Date: 13-02-2020



VLS FINANCE LTD.

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Email: vls@vlsfinance.com ; Website: www.vlsfinance.com

Reconciliation between profit after tax as per Indian GAPP and total comprehensive income as per Ind AS for the quarter ended 31st December, 2018 and Nine months ended 31st December, 2018 is as under :

Particulars	(Rs. Lacs)			
	Quarter ended	Nine Months ended	Quarter ended	Nine Months ended
	31.12.2018	31.12.2018	31.12.2018	31.12.2018
	Standalone		Consolidated	
Net Profit/(Loss) as per Previous GAPP (after tax)	446.94	1,062.26	442.04	1,186.18
a) Reclassification of income related to financial assets measured at fair value	(787.99)	(2,879.59)	(815.51)	(2,997.14)
b) Measurement of Financial Assets at amortised cost	(0.22)	(0.33)	(4.21)	(12.31)
c) Measurement of Financial Liabilities at amortised cost	0.00	0.00	0.00	0.00
d) Other adjustments	75.00	610.00	75.00	610.00
e) Tax adjustments	275.43	1,006.36	276.83	1,010.55
Profit for the Period	9.16	(201.30)	(25.85)	(202.72)
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
f) Gain /(Loss) arising on defined employee benefits	(0.78)	(2.34)	3.21	9.64
g) Gain or loss on arising on fair valuation of equity instrument	(814.14)	1,564.28	(55,160.80)	8,567.81
h) Income Tax relating to item that will classified to profit or loss	284.76	(545.81)	151.54	(3,001.30)
Total Comprehensive Income for the period	(521.00)	814.83	(55,031.90)	5,373.43

a) Under previous GAPP, actuarial gains and losses were recognised in the Statement of Profit / Loss. Under Ind AS, the actuarial gains and losses forming part of reimbursement of net defined liability/asset is recognised in Other Comprehensive Income.

b) Under previous GAAP long term investment were carried at cost less provision for diminution to recognise any decline, other than temporary.

c) Under Ind AS, investment in securities are recognised and measured at fair value and impact of fair value change (net of tax) as on the date of transition has been recognised in reserve and for changes thereafter in Other Comprehensive Income.

d) Accounting Standard (AS -108) relating to "Segment Reporting" has been complied with. The gross operating revenue and profit/loss from the other segment is below the norms prescribed in AS-108, hence separate disclosure has not been made.



By order of the Board
for VLS Finance Limited

S.K. AGARWAL
Managing Director
DIN:00106763

Place: New Delhi
Date: 13-02-2020