

VLS FINANCE LTD.

2nd Floor, 13, Sant Nagar,
East of Kailash,
New Delhi - 110065, India
Tel. : +91-11-46656666
Fax : +91-11-46656699
Email : vls@vlsfinance.com
Web : www.vlsfinance.com
CIN : L65910DL1986PLC023129

November 17, 2020

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

Scrip Code: 511333

Dear Sir,

In terms of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended, please find attached Notice of 33rd Annual General Meeting ("AGM") alongwith Annual Report of the Company for the year 2019-20. The AGM is scheduled to be held on 10/12/2020 at 3:30 p.m. through Video Conference ("VC") / Other Audio Visual Means ("OAVM"). You are requested to take it on record.

Kindly acknowledge the receipt.

Thanking you,
For VLS Finance Ltd.



Ramesh C. Pandey
Group Head- Secretarial

- 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 *Scrip Code: VLSFINANCE*
 - 2) The Calcutta Stock Exchange Association. Ltd., 7, Lyons Range, Kolkata- 700 001 *032019*

VLS FINANCE LIMITED

Regd. Office: 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi-110 065
CIN: L65910DL1986PLC023129, **E-mail:** vls@vlsfinance.com, **Website:** www.vlsfinance.com
Ph.: 011-4665 6666, **Fax:** 011-4665 6699

NOTICE of 33rd Annual General Meeting (“AGM”)

NOTICE is hereby given that the 33rd Annual General Meeting of the Members of VLS FINANCE LTD. will be held on Thursday 10th December 2020 at 3:30 p.m. through Video Conferencing (‘VC’) / Other Audio Visual Means (‘OAVM’) to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2020, the statement of Profit & Loss for the year ended on that date together with the report of Auditors and Directors thereon and the consolidated Financial Statements for the said period.
2. To approve dividend of Rs.1.50/- per equity share.
3. To appoint a Director in place of Shri Suresh Kumar Agarwal (DIN: 00106763) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. (Mrs.) Neeraj Arora (DIN: 07191167) who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

5. **To approve the re-appointment of Shri Mahesh Prasad Mehrotra (DIN: 00016768) as the whole time Director designated as Executive Vice-Chairman.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 2(94), 196, 197, and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Article No. 108 of the Articles of Association of the Company and subject to such other approvals as may be required, the consent of the Company be and is hereby accorded for the re-appointment of Shri Mahesh Prasad Mehrotra (DIN: 00016768) aged about 80 years as whole time Director of the Company designated as Executive Vice- Chairman for a period of 3 (Three) years w.e.f. 1st August, 2020, on such remuneration and on such other terms and conditions as are expressed and contained in the agreement entered into for this purpose between the Company and the Executive Vice-Chairman.

RESOLVED FURTHER THAT Shri Mahesh Prasad Mehrotra will be liable to retire by rotation notwithstanding the contrary provision contained in Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary and/or revise upwards the remuneration of the Executive Vice-Chairman within the permissible limits under the provisions of the Companies Act, 2013 or any statutory amendment / modification thereof, from time to time, to settle any question or difficulty in connection therewith or incidental thereto and to do all such things, deeds and acts including delegation of powers herein to any person/committee as may be deemed necessary or expedient for giving effect to said appointment and in case it is required to obtain the consent of Company in this regard, to the end and intent that it shall be deemed to have been accorded expressly by authority of this resolution.”

6. **To approve the appointment of Dr. Rajeev Lochan Bishnoi (DIN: 00130335) as Independent Director of the Company.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), read with applicable rules and relevant provisions of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, Dr. Rajeev Lochan Bishnoi (DIN: 00130335) aged about 60 years, who was appointed as Additional Director in the category of Independent Director in terms of Section 161(1) of the Act, by the Board of Directors concurring to the recommendation of Nomination and Remuneration Committee and who in the opinion of the Board fulfills the criteria given under Section 149(6) of the Act for an Independent Director of the Company and in respect of whom a notice under Section 160 of the Act has been received from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as Non-Executive

Director in the category of Independent Director not liable to retire by rotation, for the first term of five consecutive years commencing from 25/11/2019 till 24/11/2024 or till such earlier date to conform with the policy on retirement as may be determined by the Board of Directors or statute(s), as the case may be.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to aforesaid resolution.”

By order of the Board
for VLS Finance Ltd.

Place: New Delhi
Date : 26/09/2020

(H. Consul)
Company Secretary
M. No. A11183

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, (‘the Act’) relating to the Special Business to be transacted at the Annual General Meeting (‘AGM’) is annexed hereto and form part of this notice. The Board of Directors have considered and decided to include the Item Nos. 5 and 6 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.
2. In view of the continuing restrictions on the movement of people at several places in the country, due to global outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2020. In accordance with, the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the 33rd AGM of the Company shall be conducted through VC / OAVM. National Securities Depositories Limited (‘NSDL’) will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained at Note No. 8 herein and is also available on the website of the Company at www.vlsfinance.com.
3. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. The term ‘member’ or ‘shareholder’ appearing anywhere herein refers to person whose name stands in register of members of the Company on the relevant date.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Friday 04/12/2020 to Thursday 10/12/2020 (both days inclusive).

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

5. In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 issued by MCA and Circular No. SEBI/HO/CFD/ CMD1/ CIR/P/2020/79 dated 12th May, 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor’s report or other documents required to be attached therewith) for the year 2019-20, such statements including the Notice of AGM are to be sent in electronic mode only, to Members whose e-mail address is registered with the Company or the depositories, as per records of the Company on the date of sending the documents. Attention of members is also invited to the Ministry of Corporate Affairs “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and it has been clarified through circulars that

service of notice/ documents including Annual Report can be made by e-mail or other electronic means to its members for compliance of relevant provisions of the Act. To support this green initiative of the Government in full measure, members who have not registered their e-mail address so far are requested to register their email address as per procedure enumerated hereinafter.

- Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at its registered office or email at vls@vlsfinance.com followed by physical copy of the signed request besides updating other information as per SEBI's directive dated 20/04/2018, if not done already. Please refer clause no. 42 herein for details.

Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulty in registering the e-mail address, Members may write to vls@vlsfinance.com or hconsul@vlsfinance.com.

- This Notice of AGM along with Annual Report for the financial year 2019-20, is available on the website of the Company at www.vlsfinance.com, on the website of Stock Exchanges i.e. BSE Limited, National Stock Exchange of India Limited, the Calcutta Stock Exchange Association Ltd. and on the website of NSDL at www.evoting.nsdl.com.

PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

- Members will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-voting system. Members may access the same at <https://www.evoting.nsdl.com> under Members login by using the remote e-voting credentials. The link for VC / OAVM will be available in Members login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in Note no. 20 herein. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
- For convenience of the Members and proper conduct of AGM, Members can login and join 15 (Fifteen) minutes before the time scheduled for the AGM and facility to join shall be kept open throughout the proceedings of AGM.
- The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

- Members who need assistance before or during the AGM with use of technology, can:
 - Send a request at evoting@nsdl.co.in or use Toll free no.: 1800-222-990; or
 - Contact Mr. Amit Vishal, Senior Manager, NSDL at the designated email ID: evoting@nsdl.co.in or AmitV@nsdl.co.in or at telephone number +91-99202 64780; or
 - Contact Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: evoting@nsdl.co.in or pallavid@nsdl.co.in or at telephone number +91-75066 82281.

- Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM. Any Institutional Member, facing issues for participating in AGM can write to vls@vlsfinance.com, investor.services@rcmcdelhi.com.

- Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

- Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:

- As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name demat account number / folio number, email id, mobile

number at vls@vlsfinance.com. Questions / queries received by the Company till 5.00 p.m. on Wednesday, 2nd December, 2020 shall only be considered and responded during the AGM.

- Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address to vls@vlsfinance.com mentioning their name, DP ID and Client ID/folio number, PAN, mobile number between 9.00 a.m. on Thursday, 3rd December, 2020 and 5.00 p.m. on Sunday, 6th December, 2020. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM:

- The Members, whose names appear in the Register of Members / list of Beneficial Owners at the closing hours on Thursday, 3rd December, 2020, i.e. the date preceding to the commencement of book closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
- Pursuant to Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. Members may cast their votes on electronic voting system from any place (remote e-voting). The remote e-voting period will commence at 9.00 a.m. on Monday 07/12/2020 and end at 5.00 pm. on Wednesday 09/12/2020. The remote e-voting facility will be disabled by NSDL for voting thereafter. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>. The e-voting module on the day of the AGM shall be disabled by NSDL for voting, 15 minutes after the conclusion of the meeting.
- The details of the process and manner for remote e-voting are explained herein below:

Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com>

How to Log-in to NSDL e-voting website?

- Visit the e-voting website of NSDL. Open web browser by typing the URL: <https://www.evoting.nsdl.com> either on a personal computer or on mobile.
- Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholders' section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below :

Manner of holding shares	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example: if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example: if your Beneficiary ID is 12***** then your User ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example: if folio number is 001*** and EVEN is 101456 then your User ID is 101456001***

- If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned in Note No. 6 above.
- (f) If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:
- i. Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - ii. Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - iii. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

Step 2: Cast your vote electronically on NSDL e-voting system.

How to cast your vote electronically on NSDL e-voting system?

- (a) After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
- (b) After click on Active Voting Cycles, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle is in active status.
- (c) Select 'EVEN' of Company for which you wish to cast your vote.
- (d) Now you are ready for e-voting as the voting page opens.
- (e) Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
- (f) Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (g) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (h) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

The instructions for Members for e-voting on the day of the AGM are as under:

- (a) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- (b) Only those Members, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
- (c) Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- (d) For details of the person who may be contacted for any assistance connected with the facility for e-voting on the day of the AGM, please refer Note No. 11 above.

GENERAL INFORMATION:

21. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.
22. The voting rights shall be reckoned on paid-up value of equity shares held by the Member(s) as on Thursday, 3rd December, 2020, being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares as on that date. Corporate and institutional

shareholders (companies, trusts, societies etc.) are required to send a scanned copy (in PDF/JPG format) of the relevant Board Resolution/ appropriate authorisation, with the specimen signature(s) of the authorised signatory(ies) duly attested, to the Scrutinizer through e-mail at vlis@vlisfinance.com with a copy marked to NSDL's e-mail ID evoting@nsdl.co.in. In case of joint holders, any or all of the holders may attend the meeting though the login provided for relevant folio/ securities account because separate login for each joint holder is not permitted. The voting can also be done only once i.e. one time irrespective of number of joint holders for such folio/ securities account.

23. In terms of provisions of sections 108 and 109 of the Companies Act, 2013('the Act') read with rules 20 and 21 of Companies (Management and Administration) Rules, 2014 and regulation 44 of the listing regulations for votes cast through remote e-voting and by e-voting at AGM on the business to be transacted in AGM of the Company on 10/12/2020, the Board of Directors of the Company has appointed Shri V. B. Aggarwal - Company Secretary (M. No. A-4240) and failing him Shri Ashutosh Aggarwal (M. No.A9972 and CoP No. 7467) of A. Aggarwal & Associates - Company Secretaries to act as the scrutinizer. Both Shri V. B. Aggarwal and Shri Ashutosh Aggarwal has consented to act as Scrutinizer for conducting voting process in fair and transparent manner. The Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating voting by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL). The scrutinizer after completion of scrutiny of the voting (Votes casted through remote e-voting prior to AGM and votes casted during AGM) shall submit a consolidated scrutinizer report of votes cast in favour or against for each items of notice to the chairman of the meeting or in his absence to the Director -Finance & CFO of the Company who shall countersign the same and declare the result not later than 48 hours of conclusion of AGM. The Members desiring to vote through remote e-voting/ e-voting at AGM are requested to refer to the detailed procedure given hereinbefore.
24. The results of the electronic voting upon declaration shall be disseminated forthwith to the concerned Stock Exchanges. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company at www.vlsfinance.com.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

25. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode or at the registered office of the Company on all working days between 11.00 A. M. to 1.00 P.M. upto the date of AGM. Request for inspection may be sent on vlis@vlisfinance.com.
26. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection electronically upon login at NSDL e-voting system at <https://www.evoting.nsdl.com>.

DIVIDEND RELATED INFORMATION:

27. The Members, whose names appear in the Register of Members / list of Beneficial Owners as close of business hours on Thursday, 3rd December, 2020, i.e. the date prior to the commencement of book closure, being the cut-off date will be paid the Dividend for the financial year ended 31st March, 2020, as recommended by the Board on or before 09/01/2021, if approved at the AGM.
28. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participant(s) of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants and also ensure that complete and correct updation is done by concerned depository participant.
29. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. RCMC Share Registry Pvt. Ltd., Registrar and Share Transfer Agent of the Company

- or corporate secretarial Department of the Company by sending a request on email at vlsv@vlsfinance.com or its Registrar and transfer agent at investor.services@rcmcdelhi.com followed by physical copy thereof. It is advisable to update all information sought as per SEBI directive dated 20/04/2018 in prescribed format to facilitate serving to members by the Company. The format is available on the website of the Company and can also be obtained by sending email vlsv@vlsfinance.com. In case, the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the Company shall upon normalisation of the postal services, dispatch the dividend warrant to such shareholder by post.
30. Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1st April, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of payment of dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with, the provisions of the Income Tax Act, 1961.
- a) For Resident Shareholders, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 7.5% on the amount of Dividend declared and paid by the Company during financial year 2020-21 provided PAN is registered by the Shareholder. If PAN is not registered, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961.
- However, no tax shall be deducted on the Dividend payable to a resident individual if the total dividend to be received by him during financial year 2020-21 does not exceed Rs. 5,000/-. Please note that this includes the future dividends if any which may be declared by the Board in the financial year 2020-21.
- Further, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.
- b) For Non-resident Shareholders, taxes are required to be withheld in accordance with, the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. However, as per Section 90 of the Income Tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Taxation Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:
- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident.
 - Self declaration in Form 10F if all the details required in this form are not mentioned in the TRC.
 - Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.
 - Self-declaration, certifying the following points:
 - i. Member is and will continue to remain a tax resident of the country of its residence during the financial year 2020-21;
 - ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
 - iv. Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and
 - v. Member does not have a taxable presence or a permanent establishment in India during the financial year 2020-21.
31. Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non- Resident shareholder.
32. Kindly note that the aforementioned documents are required to be submitted at <https://rcmcdelhi.com> on or before Wednesday, 25th November, 2020 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction shall be entertained post Wednesday, 25th November, 2020. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.
33. The Company shall arrange to email the soft copy of TDS certificate to you at your registered email ID in due course, post payment of the said Dividend.
34. The Unpaid/unclaimed dividends up to 31/03/1995 had been transferred to General Revenue Account of Central Government and can be claimed from the Central Government in prescribed form. Pursuant to Section 205A of the Companies Act, 1956 ("the Act") all unclaimed/unpaid dividends after 31/03/1995 up to the financial year 1997-1999 (18 months) has been credited to Investor Education & Protection Fund ('IEPF'). At present no unpaid /unclaimed dividend remains liable to be transferred to IEPF. The Member(s) whose dividend / shares have been transferred to the IEPF Authority can now claim their dividend / shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://www.iepf.gov.in/IEPF/refund.html> The amount remaining unpaid/ unclaimed of the dividend declared for the year 2016-17, 2017-18 and 2018-19 would be transferred to IEPF as per applicable procedure i.e. after 7 years. The IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash / claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company as on 12/09/2019 (date of last AGM) are available on the website of the Company at <https://www.vlsfinance.com/investorrelations/unclaimed-and-unpaid-dividends/> and on IEPF's website.
35. Members are requested to claim the Dividend for following years by writing to the Company or its RTA, alongwith complete details of their Bank Account and the expired dividend instrument/undertaking for loss of instrument, at the earliest.
- | Financial year ended on | AGM Date | Dividend rate | Date of transfer to Unpaid Dividend A/c | Due for Transfer to IEPF on |
|-------------------------|------------|---------------|---|-----------------------------|
| 31/03/2017 | 25/09/2017 | 10% | 31/10/2017 | 30/10/2024 |
| 31/03/2018 | 20/09/2018 | 10% | 26/10/2018 | 25/10/2025 |
| 31/03/2019 | 12/09/2019 | 10% | 18/10/2019 | 17/09/2026 |
36. The investors details of amount remaining unpaid /unclaimed of the dividend declared for the year 1995-96, 1996-97 (18 months) 1997-99 (18 months) and refund of unpaid amount belonging to the public issue in the year 1993 and 1994 had been filed with the IEPF (MCA portal) in Excel format in compliance of Investor Education and Protection fund Authority (Accounting, Audit, Transfer and Refund) Second amendment Rules 2019 effective from 20/08/2019. The list of Members whose dividend/refund for aforesaid years is unclaimed/ unpaid is available inter alia on Company's website. Members are requested to claim the said Dividend/refund by applying online application in Form IEPF-5 available on the website www.iepf.gov.in alongwith fee specified by the Authority.
37. The Company in adherence to its policy to provide par excellence investor service, periodically undertakes to locate members whose share certificate are lying undelivered and promptly sends share certificates upon identification of members. In terms of regulation 39 of SEBI listing regulations, the undelivered shares will be credited to "Unclaimed Suspense Account" with a depository participant and the company has initiated procedural compliance in this regard. As a consequence inter-alia, the voting rights in respect of such shares shall stand frozen till shares are restored to members. Further, the said shares will be transferred to 'IEPF' alongwith the dividend remaining unpaid/unclaimed as and when the first of such dividend remaining unpaid/unclaimed is liable to be transferred to 'IEPF' i.e. upon expiry of seven years.

OTHERS:

38. Members of the Company had approved the appointment of M/s. M. L. Puri & Co, Chartered Accountants (FRN: 002312N), as the Statutory Auditors for period of 5 years at the 30th AGM of the Company which is valid till conclusion of 35th AGM of the Company. In accordance with the Act, the appointment of Statutory Auditors is not required to be ratified at every AGM.
39. Those persons, who become members of the Company after the dispatch of this notice of the AGM by the Company and whose names appear in the register of members or register of beneficial holders as on the cut-off date may view the notice of the 33rd AGM on the Company's website or on the website of NSDL. Such members may exercise their e-voting rights either through remote e-voting by following the procedure as mentioned above or by voting at the AGM. In case of any difficulty Members may contact the Company or its Registrar and Transfer Agent.
40. Members who wish to obtain information about the Company or view the financials of Company may visit the Company's website viz. www.vlsfinance.com
41. The Company has retained **M/s RCMC Share Registry Pvt. Ltd., as its Registrar & Transfer Agent ("RTA")** w.e.f. 01/04/2003 for entire shareholder services. All correspondence, therefore, may be addressed to the said Registrar & Transfer Agent at :

B-25/1 First Floor, Okhla Industrial Area Phase II, New Delhi - 110 020
Email: investor.services@rcmcdelhi.com
Phone Nos. 011 - 26387320-21-23 and Fax: 011-26387322)

However, for any further assistance in said matters, queries may be addressed to the Company Secretary at its Registered Office at:

2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi-110 065
Phone No. 4665 6666, Fax: 4665 6699.
Dedicated Investor Services e-mail: hconsul@vlsfinance.com

42. The extant SEBI listing regulations mandate that no transfer of securities of listed Companies be effected in physical form after 31/03/2019. However, transmission and transposition of physical

shares are allowed. Exception is provided under SEBI Press Release No. 12/2019 dated 27/03/2019 only for those transfers of which transfer deed(s) were lodged prior to deadline and returned due to deficiency. The cutoff date for such lodgment has been fixed as 31/03/2021 as per SEBI Circular No. SEBI/HOO/MIRSD/RTAMB/CIR/P/2020/166 dated 07/09/2020. Accordingly after cutoff date, no request for transfer of share in physical form will be entertained. However, for such cases compulsory procurement of PAN by the Companies of both transferor and transferee is required to effect the share transfer in physical form of listed companies, whether off market or not. Copy of PAN card of all holders is required to be furnished to the Company/ RTAs for transposition of shares and in case of transmission the PAN details of claimant is mandatory. Further, Members holding shares in physical form are again requested to promptly respond to Company's letter requesting them to provide PAN and Bank details besides other information. The format thereof is available on website of the Company and also appended to this notice. For further assistance, the Company or its Registrar & Transfer Agent may be contacted.

43. Members, who are holding shares in identical order of names in more than one Folio i.e. physical form, are requested to write to the RTA of the Company or the Company at its registered office, to enable the Company to consolidate their holding under one Folio. Members can avail the facility of nomination in respect of shares held by them in physical form in accordance with the provisions of section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in prescribed Form no. SH-13/ SH-14 as the case may be, duly filled in, to the RTA of Company.
44. The shares of the Company are traded in demat segment only w.e.f. 28th August, 2000 for all categories of investors in Stock Exchanges. **The ISIN allotted to Company is INE709A01018** for both the Depositories viz. The National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).
45. Information regarding Directors retiring by rotation and seeking reappointment as required under secretarial standard-2 and Regulation 36(3) of SEBI (Listing regulations and disclosure requirements) Regulation, 2015:

(A)

Sl. No.	Name of the Director	Date of Birth	Date of Appointment	Qualifications and Expertise in specific functional areas	List of Companies in which Directorship held as on 26/09/2020	Chairman/ Member of the Committees of other companies as on 26/09/2020	Whether qualified u/s 164(2) of the Companies Act, 2013.
				No. of Board meetings attended during the year			
				Relationship between Directors inter-se			
1.	Shri S. K. Agarwal DIN: 00106763	22/10/1951	27/07/2003	He is a former banker with over 4 and half decades of rich and varied experience in banking, financial services, asset management, portfolio management and all capital market related activities. He is also former executive trustee PNB mutual fund. 4 of 4 Shri S. K. Agarwal is not related to any other Director of the Company.	a) Risk Software Solution Pvt. Limited b) VLS Securities Ltd. c) VLS Asset Management Ltd.	Nil Nil Nil	Yes
2.	Dr. (Mrs.) Neeraj Arora DIN: 07191167	26/04/1955	30/05/2015	She is a qualified medical practitioner having experience of more than 44 years in medical field, administration and allied areas. 3 of 4 She is related to Shri M. P. Mehrotra and Shri Vikas Mehrotra - Directors of the Company.	South Asian Enterprises Ltd.	Nomination and Remuneration - Member	Yes

(B) Shareholding of above Directors as on 26/09/2020

S. No.	Name	No. of shares held in the Company	Percentage
1	Shri S. K. Agarwal	Nil	Nil
2	Dr. (Mrs.) Neeraj Arora	Nil	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 5:

Appointment of Shri Mahesh Prasad Mehrotra (DIN:00016768) as Whole Time Director designated as Executive Vice-Chairman.

Shri Mahesh Prasad Mehrotra is a Chartered Accountant by profession and a law graduate with over 57 years of rich experience in areas of taxation, administration and financial services besides being the promoter of the Company. He is member of Audit committee and CSR Committee of the Board. Shri Mahesh Prasad Mehrotra had been on Board from 1991 to 2001 and then from 2007 to 2014. He was again appointed as Director w.e.f. 12/09/2015. Shri Mahesh Prasad Mehrotra (DIN: 00016768) was appointed as Whole Time Director designated as Executive Vice-Chairman w.e.f. 01/08/2017 for 3 years i.e. upto 31/07/2020.

Further, on the recommendation of Nomination and Remuneration Committee, Shri Mahesh Prasad Mehrotra was re-appointed as Whole Time Director designated as Executive Vice-Chairman w.e.f. 1st August, 2020, by the Board of Directors in its meeting held on 16/07/2020 on the terms and conditions as contained in agreement entered into between the Company and Shri Mahesh Prasad Mehrotra for this purpose on that date, subject to such approvals as may be required.

Shri Mahesh Prasad Mehrotra's reappointment as Executive Vice-Chairman is being made in accordance with the conditions specified in Part 1 of Schedule V of the Companies Act, 2013 and the remuneration payable is within the ceiling laid down in Part II thereof and the requirements of Part III thereof are being complied alongwith Nomination and Remuneration Policy of the Company. The agreement entered into by the Company and Shri Mahesh Prasad Mehrotra inter-alia contains following terms and conditions:

a. Salary

Basic salary of Rs. 5,00,000/- (Rupees Five Lac Only) per month.

b. Perquisites

In addition to the aforesaid salary, the Executive Vice-Chairman will be entitled to the following Perquisites:

- i. Rent free furnished Leased Accommodation for himself and his family, the company bearing the cost of society charges, repairs, maintenance and electricity for the said accommodation.
- ii. Medical Reimbursement:
Expenses incurred for self on actual basis.

Provided that the total value of salary and perquisites herein above shall not exceed at any time, the ceiling of remuneration prescribed in relevant regulations for the time being in force and the perquisites shall be valued at actual cost or as per income tax rules where the actual cost is not ascertainable.

- iii. Facility of Chauffeur driven car for use on Company's business as per rules of the Company.
- iv. Facility of Telephones or provision of similar equipment/facilities for official purpose will be free & not to be considered as perquisites except that the charges for personal long distance calls will be billed by Company to Executive Vice-Chairman.

c. Sitting Fees

The Executive Vice-Chairman shall not be paid any sitting fees for attending the meeting of the Board of Directors or committee thereof from the date of his reappointment.

Shri Mahesh Prasad Mehrotra as Executive Director will not be liable to retire by rotation during his tenure as per Article 109 of Articles of Association of the Company. However, in order to comply with requirement of section 152 (6) of the Companies Act, 2013, it is imperative to place him in category of Director liable to retire by rotation, notwithstanding clause to the contrary in Articles of Association of the Company.

The Board may also be authorised that it may from time to time, review and if deemed fit, revise the remuneration payable to the Executive Director within the limits permissible and in the manner permitted under the Companies Act, 2013 or any other applicable law, for the time being in force. The other terms and conditions of Shri Mahesh Prasad Mehrotra appointment as Executive Director may be varied, altered or otherwise revised from time to time by the Board as it may in its discretion deem fit, subject to the provisions of the Companies Act, 2013 and other applicable laws, for the time being in force.

The appointment of Shri Mahesh Prasad Mehrotra as Executive Director on the terms and conditions as set out in the agreement entered into between Shri Mahesh Prasad Mehrotra and the Company is subject to the approval of the members. The Board recommends his appointment as set out in Item no. 5 of the accompanying Notice.

The re-appointment of Shri Mahesh Prasad Mehrotra as Executive Vice-Chairman on the terms and conditions as set out in the agreement entered into between Shri Mahesh Prasad Mehrotra and the Company is subject to the approval of the members by special resolution in terms of clause (c) of part I of schedule V of the Companies Act, 2013 because he is aged over 70 years. The Board recommends the appointment of Shri Mahesh Prasad Mehrotra as Executive Vice-Chairman of the Company as set out in item No.5 of the Notice.

A copy of agreement entered into between the Company and Shri Mahesh Prasad Mehrotra is available for inspection by the members of the Company both electronically and at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on all working days till the date of the Annual General Meeting.

Shri Vikas Mehrotra (Son) and Dr. (Mrs.) Neeraj Mehrotra (Sister-in-law) both Non Executive and Non - Independent Director are related to Shri Mahesh Prasad Mehrotra. Except Shri Mahesh Prasad Mehrotra and his relatives, none of the Directors or Key Managerial Personnel or their relatives are concerned or interested directly or indirectly in the resolution.

Shri Mahesh Prasad Mehrotra does not hold any shares in the Company and his brief profile is given below:

Other information as required under secretarial standard-2 and Regulation 36(3) of SEBI (Listing regulations and disclosure requirements) Regulation, 2015

Name of Director	Shri Mahesh Prasad Mehrotra (DIN 00016768)		
Age	80 years.		
Qualification	B. Com. FCA, LL.B.		
Date of appointment	12/09/2015		
No. of Board meetings attended during the year	3 out of 4 meetings.		
Other Directorship	a. Dhampur Sugar Mills Ltd. b. South Asian Enterprises Ltd. c. VLS Commodities Pvt. Ltd. d. VLS Capital Ltd. e. Jinhuvish Power Generations Private Ltd. f. Maxim Infracon Private Ltd.	g. Delton Cables Ltd. h. Moonrock Hospitality (P) Ltd. i. Baroda Asset Management India Ltd. j. Vinu Promoters (P) Ltd. k. Big Wong Hospitality (P) Ltd.	
Chairman/ Member of Audit Committee as on 26/09/2020.	a. Dhampur Sugar Mills Ltd. b. Delton Cables Ltd. c. Baroda Asset Management India Ltd.	- - -	Chairman Chairman Member
Chairman/ Member of Stakeholders Relationship Committee as on 26/09/2020.	Nil		
Chairman/ Member of Nomination and Remuneration Committee as on 26/09/2020.	a. Dhampur Sugar Mills Ltd. b. Baroda Asset Management India Ltd. c. Delton Cables Ltd.	- - -	Chairman Member Member
Chairman/ Member of CSR Committee as on 26/09/2020.	a. Dhampur Sugar Mills Ltd.- Member		
Shareholding in the Company	Nil		
Relationship between directors inter-se	He is related to Shri Vikas Mehrotra (DIN: 06476150) and Dr. (Mrs.) Neeraj Arora (DIN: 07191167) - Non-Executive Directors of the Company.		

ITEM NO. 6
Appointment of Dr. Rajeev Lochan Bishnoi (DIN:00130335) as Independent Director for his first term of five years.

The Board in its meeting held on 25/11/2019, concurring to the recommendation of the Nomination and Remuneration Committee had appointed Dr. Rajeev Lochan Bishnoi (DIN:00130335) aged about 60 years, as an Additional Director of the Company in the category of Independent Director subject to requisite approvals. Subsequent to his appointment as an Additional Director, Dr. Bishnoi was nominated as a member of the Audit Committee, the Nomination and Remuneration Committee and CSR Committee of the Board. He has attended 2 (Two) Meetings of the Board held during the financial year 2019-2020. As an Additional Director, Dr. Bishnoi would hold office till the date of ensuing

Annual General Meeting according to provisions of section 161 (1) of the Companies Act, 2013.

The Company has received a notice under section 160 of the Companies Act, 2013 from a member proposing the appointment of Dr. Bishnoi as an Independent Director of the Company. In the opinion of the Board, Dr. Bishnoi fulfils the conditions prescribed in the Companies Act, 2013 and other applicable regulations of appointment as Independent Director. Dr. Bishnoi has consented for said appointment. Having regard to his expertise and experience it will be in the interest of the Company to appoint him as Independent Director.

Other information as required under secretarial standard -2 and Regulation 36(3) of SEBI (Listing regulations and disclosure requirements) Regulation, 2015

Name of Director: DIN	Dr. Rajeev Lochan Bishnoi (DIN: 00130335)	Other Details
Age/Occupation	60 years/Business	Term would be 5 (five) consecutive years subject to applicable regulations.
Qualification	B.Com. FCA, Ph.D. (Management)	
Date of appointment	25/11/2019	
Brief profile	He is a Fellow member of the Institute of Chartered Accountants of India. He also holds a doctorate in Management from Shobhit University. Dr. Bishnoi is a credit specialist and advises corporates and banks on balance sheet stress, risk processes and improving the overall financial health of the enterprise. He was a Government of India nominee Director on the Board of one of India's largest Government owned banks viz. Bank of India, from October 18, 2013 to October 18, 2016, where he also served as the Chairman of its Audit Committee and a member of its Board Committees on Credit, Human Resource, Wilful-Defaulters, Risk Management, Customer Service and Remuneration & Nomination. He is currently director on the board of BOI Merchant Bankers Limited. As an advisor and as an Educationist Dr. Bishnoi was associated with starting up several leading graduate and post graduate institutions and universities in UP and Rajasthan. A Former Advisor to the UP Export Corporation Ltd., he was invited by the Government of Kazakhstan to deliver the Keynote Address at a seminar on 'The Role of Small & Medium Enterprises in the National Economy' held at Kazakhstan. Besides, Dr. Bishnoi was a lead organizer of two national level conclaves i.e. Economic Conclave in 2017 and Banking Conclave in 2018 under aegis of the India Policy Foundation and Centre for Economic Research. He had been awarded Ph.D. on the subject of "Vision and Strategy for the Development of Entrepreneurship through Microfinance and Micro Enterprises in the Developing World".	
Other Directorship as on 26/09/2020.	1. VLS Capital Ltd. 2. BOI Merchant Banker Ltd. 3. Jammu & Kashmir Bank Ltd. 4. South Asian Enterprises Ltd. 5. VLS Securities Ltd.	Independent Directors meeting attended – 1 (one) on 13/02/2020.
Chairman/ Member of Audit Committee of other Companies as on 26/09/2020.	1. VLS Capital Ltd.-Member 2. Jammu & Kashmir Bank Ltd.-Chairman 3. South Asian Enterprises Ltd.-Member 4. VLS Securities Ltd.- Member 5. BOI Merchant Banker Ltd. -Member	Sitting fee paid for attending meeting of the Board and Committees thereof during the year: Rs.1,10,000/-
Chairman/ Member of Stakeholders Relationship Committee of other Companies as on 26/09/2020.	1. Jammu & Kashmir Bank Ltd.-Member	
Chairman/ Member of Nomination and Remuneration Committee of other Companies as on 26/09/2020.	1. VLS Capital Ltd.-Member 2. Jammu & Kashmir Bank Ltd.- Member 3. South Asian Enterprises Ltd.-Member 4. VLS Securities Ltd. -Member 5. BOI Merchant Banker Ltd. -Member	
Chairman/ Member of CSR Committee of other Companies as on 26/09/2020.	Nil	
Shareholding in the Company	Nil	
Relationship between directors inter-se	Dr. R. L. Bishnoi is not related to any of the Directors of the Company.	

It is proposed to appoint Dr. Bishnoi as an Independent Director for a period of 5 years w.e.f. 25/11/2019 subject to stipulation for age of retirement if any, prescribed from time to time. Dr. Bishnoi shall not be liable to retire by rotation during his tenure as independent director. Your Directors recommend his appointment as an Independent Director of the Company as set out in item no. 6 of the accompanying Notice.

A copy of notice received from member and other documents is available for inspection by the members of the Company both electronically and at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on all working days till the date of the Annual General Meeting.

None of the Directors or Key Managerial Personnel or their relatives except Dr. Bishnoi and his relatives are directly or indirectly interested in the resolution.

By order of the Board
for VLS Finance Ltd.

Place: New Delhi
Date : 26/09/2020

(H. Consul)
Company Secretary
M. No. A11183

VLS FINANCE LIMITED

Regd. office: - 2nd Floor, 13, Sant Nagar , East of Kailash, New Delhi-110 065

Phone: 011-4665 6666, Fax: 011-4665 6699,

CIN: L65910DL1986PLC023129, E-mail: vls@vlsfinance.com, Website: www.vlsfinance.com

Form for furnishing the Contact, PAN and Bank Details, *By the Members holding shares in physical form*

Inward Sr No. :

RCMC Share Registry Pvt. Ltd.,
B-25/1, First Floor,
Okhla Industrial Area Phase – II,
New Delhi – 110 020.

Dear Sir/Madam,

We hereby request you to incorporate following information furnished by us herein below in your records The relevant documents required to be tendered for this purpose are enclosed.

Name of the Company	VLS FINANCE LIMITED
Folio Number	

	Name	PAN #
First /Sole Holder		
Joint Holder 1		
Joint Holder 2		

Please attach self-attested copy of PAN Card of each holder.

E-mail ID for communication	
Contact number for communication	

Bank Details of Sole / First Holder

Bank Name *	
Branch Address	
Bank Account No.	
Account type	Saving/Current/Cash Credit
MICR Code (9 digits)	
IFSC Code (11 digits)	

* It is mandatory to enclose a cancelled cheque in original bearing name of Sole / first holder. In case cancelled cheque does not have name of such holder printed on it, it is mandatory to enclose a copy of the relevant passbook/bank statement duly attested by bank.

I / We hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information or the said facility is not available at my location, I / We would not hold South Asian Enterprises Limited and /or its agents or associates responsible for any loss/damage etc. resulting therefrom.

Signature of First/Sole Holder

Signature of Joint Holder 1
(As appearing in Company's Record)

Signature of Joint Holder 2

Place :
Date :

This form needs to be submitted by Member(s) holding shares in physical form. Members holding shares in electronic form (in demat account) are advised to update their PAN, bank details and email id with their respective depository participant ('DP'). Post updation with DP, no further action is required from member's side as Company will get these details automatically through depositories.

For Office Use Only

Entered on :	Checked By :
Entered by :	Remarks :
Signature :	Signature :



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VLS FINANCE LTD.

Regd. Office : 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi-110 065

CIN : L65910DL1986PLC023129, email : vls@vlsfinance.com, Website : www.vlsfinance.com

Phone : 011-46656666 Fax : 011-46656699

VLS FINANCE LIMITED

NOTICE

33rd ANNUAL GENERAL MEETING

of members of the company will be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") at 3:30 p.m. on Thursday, 10th December, 2020

SHARE TRANSFER & INVESTOR SERVICES

M/s RCMC Share Registry Pvt. Ltd.
Unit: VLS Finance Ltd.
B-25/1, 1st Floor, Okhla Industrial Area, Phase-II,
New Delhi-11 0020
Ph. : 011 26387320-21-23 Fax: 011 26387322
Email : investor.servies@rcmc.delhi.in

Our e-mail address:

For investor services: hconsul@vlsfinance.com
Other than above: vls@vlsfinance.com
visit us at www.vlsfinance.com

BOARD OF DIRECTORS:

Shri Ajit Kumar

Chairman. Independent Director
(DIN: 00106597)

Shri M. P. Mehrotra

Executive Vice-Chairman
(DIN: 00016768)

Shri S. K. Agarwal

Managing Director
(DIN: 00106763)

Shri K. K. Soni

Director-Finance & CFO
(DIN: 00106037)

Dr. (Mrs.) Neeraj Arora

Non-Executive Director
(DIN: 07191167)

Shri Vikas Mehrotra

Non-Executive Director
(DIN: 06476150)

Shri. D. K. Mehrotra

Independent Director
(DIN: 00142711)

Dr. R. L. Bishnoi

Independent Director (DIN: 00130335)

COMPANY SECRETARY

Shri H. Consul

AUDITORS

M/s. M. L. Puri & Co.
Chartered Accountants,
407, New Delhi House,
27, Barakhamba Road,
New Delhi-110001

BANKERS

HDFC Bank
UCO Bank

EQUITY SHARES LISTED AT :

THE NATIONAL STOCK EXCHANGE OF INDIA LTD.

Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra Kurla Complex,
Bandra (E), Mumbai-400051.

BSE LTD

25, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400 001.

THE CALCUTTA STOCK EXCHANGE LTD. (Pending Delisting)

7, Lyons Range, Kolkata-700001.

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Attention Members

In order to improve investor services, we request you to update / register your correct postal and email address besides Bank Account details with the Company in case of holding in physical form. The holders in demat (electronic) form may register the same with concerned depository participant.

DIRECTORS' REPORT

Your directors are pleased to present the 33rd Annual Report of the Company together with the Audited Annual Accounts for the year ended 31st March, 2020.

1. Financial Results (Rs. in Lakhs)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Total Income	(54.51)	1355.04
Less: Total Expenditure	1051.34	2409.24
Less: Finance Cost	6.56	0.95
Gross Profit/(loss)	(1112.41)	(1055.15)
Less: Depreciation	115.60	59.14
Profit/ (loss) before tax	(1228.01)	(1114.29)
Less: Current Tax	0	432.78
Less/Add: Tax adjustment for earlier year	9.20	(0.04)
Add: Deferred Tax	(4485.97)	(1384.87)
Net Profit/ (loss) after tax	3248.76	(162.17)
Paid up Equity Share Capital (excluding calls in arrears)	3878.42	3878.42
Reserves excluding revaluation reserve	85311.03	67097.48
Earnings per share (Rs.)	8.40	(0.42)

* (Figures have been regrouped / recast to conform to current year's figures)

2. Management Discussion and Analysis

Financial Review

During the year under review, your Company generated total income of Rs. (54.51) lakhs as against Rs. 1355.04 lakhs in the previous year. The other income stood at Rs. 9.24 lakhs for the year under review as against Rs. 5.54 lakhs in the previous year. The Company has earned a net profit after tax of Rs. 3248.76 lakhs for the year under review compared to the loss of Rs. 162.17 lakhs in previous year. The other comprehensive income for the period stood at Rs. 15,437.22 lakhs as compared to the corresponding other comprehensive income figure of Rs. 3288.91 lakhs for the previous year.

Further, the Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards ('IND AS') as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013, read with relevant Rules issued thereunder and in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act in place of Indian Generally Accepted Accounting Principles ('IGAAP') followed by the Company till 31/03/2019. The transition from IGAAP to IND AS for the annual accounts was considered from 01/04/2018 as per terms of the initial IND AS applicability and the annual accounts for the year 2018-19 has been recast for comparison purposes.

Industry Structure and Development

The growth prospects of the Emerging Asian economies like China and India are expected to remain robust over

the medium term amid global economic uncertainty. Further, an unexpected COVID-19 outbreak engulfed India too and resulted in nationwide lockdown starting 25th March, 2020. However, a gradual and calibrated easing of lockdown measures had started from June 2020. During this unprecedented time, the Company has successfully managed to have operations carried out with limited staff coming to office and with part of its employees working from home.

As per the Central Statistics Organization (CSO) second advance estimates, the GDP growth was retained at 5 per cent in 2019-20 and however final numbers are likely to be worse than expectations due to sharp contraction in economic activities in March due to COVID-19. As per Moody's (a global rating company), India's GDP growth rate for 2020-21 is expected to be at Zero mainly led by steep deterioration in business activities and sharp contraction in consumption trend due to disruption led by COVID-19. However, on a positive note, it has forecasted India's GDP growth rate to bounce back to 6.6 per cent in 2021-22.

India's foreign trade was significantly hit during the year led by disruption caused by COVID-19 especially in 4th quarter of 2019-20. Export figures for financial year 2019-20 declined by 4.78 per cent to \$314.31 billion, while imports during the fiscal declined 9.12 per cent to \$467.19 billion. Hence, overall trade deficit in 2019- 20 was lower at \$152.88 billion compared to the trade gap in 2018-19 at \$184 billion. India's goods exports were sluggish even before the Covid-19 crisis broke out.

Health Safety and Pandemic Risk

In addition to serious implications for people's health and the healthcare services, coronavirus (COVID-19) is having a significant impact on the world-wide economy including India in terms of business growth and business models. The disruption has pushed the financial sector to adopt digital model for sustenance and growth. The Company and its subsidiaries have been proactive enough to switch over to fully digital mode since the Covid-19 ensuring employees the best health safety measures and uninterrupted service to the stakeholders. However, the performance of the Company and its subsidiaries may be impacted in future because of the lasting effect of this disruption on the economy.

In enforcing social distancing to contain the spread of the disease, our office have been operated with minimal staff for extended periods of time. In keeping with its employee-safety first approach, the Company quickly instituted measures to trace all employees and be assured of their well-being. The Company's focus on liquidity, supported by a strong balance sheet and acceleration in cost optimization initiatives, would help in navigating any near-term challenges.

Global health pandemic from COVID-19 related risks.

The COVID-19 pandemic is a global humanitarian and health crisis. The actions taken by various governments to contain the pandemic, such as closing of borders and lockdown restrictions, resulted in significant disruption to people and businesses. Consequently, market demand and supply chains have been affected, significantly increasing the risk of a global economic recession. The pandemic has impacted, and may further impact, all of our stakeholders – employees and investors etc. Further, due to the uncertainty surrounding this risk and the unavailability of a certified vaccine or cure to-date, we have not been able to provide investors with any revenue or profit guidance for fiscal 2021.

Outlook, Risks and Concerns

The country's equity markets remains promising for both global and domestic investors. The underlying strength of Indian consumption and demand, continues to remain healthy. The performance of your Company is closely linked to those of the stock markets. Your Company has been making use of available opportunities in the capital markets keeping in view its business objectives.

Our approach to risk management is based on our experience and risk management framework. The Company is exposed to normal industry risks such as credit, interest rate, economic, currency, political, market and operational risks. The Company views risk management as integral to its business for creating and maintaining best practices in business operations and administration.

Opportunities and Threats

The continuing emphasis on 'Make in India' by government is expected to infuse further capital investment in the country and thus more opportunity for financial sector. The relaxation of foreign investment rules has received a positive response from the financial sector. The Company is looking forward to grasp the available opportunities. The Company will also focus on permitted avenues as a member of the Stock Exchange. The uncertain state of the global economy however remains a cause of concern.

Adequacy of Internal Financial Control Systems

The management in consultation with Internal Auditors monitor and evaluate the efficacy and adequacy of internal financial control systems in the Company, its compliance with operating systems, accounting procedures and policies at all levels of the Company and its subsidiaries. The audit observations and the corrective actions thereon are presented to the Audit Committee of the Board. The control framework is established and maintained by the Company. The observations by the internal and statutory auditors are perused by the Management, the Audit Committee as well as the Board for proper implementation. The Company's internal financial controls have been found to be adequate and effective.

Segment wise Performance

Accounting Standard (AS-17) relating to "Segment Reporting" has been complied with. The gross operating income and profit from the other segment is below the norms prescribed in AS-17, hence separate disclosure has not been made.

Cautionary Statement

The statements in the above analysis, describing the Company's estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. The actual results may differ from those expressed or implied. Important factors that could make a difference to the Company's operations include changes in government regulations, tax regimes, economic developments within the country and abroad, and other related factors.

3. Dividend & Reserve

The Board has recommended 15% dividend on equity shares i.e. @Rs. 1.50 per equity share for the year 2019-20 subject to approval of members. The dividend, if approved, will be paid to the registered members as on the date of Annual General Meeting scheduled to be held on 10/12/2020 ('AGM'). No amount was proposed to be transferred to the reserve during the year under review.

4. Directors/ Key Managerial Personnel (KMP)

During the year under review and till the date of this report there had been no changes in the composition of the Board of Directors/ Key Managerial Personnel of your Company except as stated below:

Directorate:

During the year under review Dr. S. Ramesh –Independent Director (DIN:00126120) ceased to be Director of the Company w.e.f 08/11/2019 due to his demise.

Shri R. Bandyopadhyay –Independent Director (DIN:01122778) resigned w.e.f. 29/04/2020 from the Board due to personal reasons.

Dr. Rajeev Lochan Bishnoi (DIN: 00130335) aged about 60 years, who fulfills the criteria given under Section 149 (6) of the Act for an Independent Director of the Company, had been appointed as an additional director in the category of Independent Director by the Board in its meeting held on 25/11/2019 for the first term of five consecutive years commencing from 25/11/2019 till 24/11/2024 subject to approval of members. Concurring to recommendation of Nomination and Remuneration Committee of the Company, your Directors recommend his appointment as Independent Director for his first term of five years as set out in the Notice convening the ensuing AGM.

In accordance with the provisions of Article 89 of the Articles of Association of the Company, Shri Suresh Kumar Aggarwal- Managing Director (DIN: 00106763) and Dr. (Mrs.) Neeraj Arora – Non Executive Director (DIN: 07191167) will be retiring

by rotation at the ensuing Annual General Meeting ('AGM') of your Company and being eligible, offered themselves for re-appointment. Concurring to recommendation of Nomination and Remuneration Committee of the Company, your Directors recommend their re-appointment as set out in the Notice convening the ensuing AGM.

Further, re-appointment of Shri M. P. Mehrotra (DIN: 00016768) as Executive Vice-Chairman in the capacity of whole time director was made by the Board after concurring to the recommendation of Nomination and Remuneration Committee of the Company. Your Directors recommend his re-appointment as Executive Vice-Chairman for a period of three years as set out in the Notice convening the ensuing AGM.

Key Managerial Personnel (KMP):

Pursuant to the provisions of sub-section (51) of Section 2 and Section 203 of the Act read with the Rules framed thereunder, the following persons were Key Managerial Personnel of the Company as on March 31, 2020:

1. Shri M. P. Mehrotra- Executive Vice-Chairman
2. Shri S. K. Agarwal, Managing Director
3. Shri K. K. Soni, Director Finance & Chief Financial Officer
4. Shri H. Consul, Company Secretary

Further, there is no change in the Key Managerial Personnel of the Company during the year under review.

5. Independent Directors

Independent Directors of your Company have complied with the relevant provisions of the law relating to their appointment and they continue to comply with the provisions of the Companies Act, 2013 and the listing regulations.

In terms of the provisions of sub-section (6) of Section 149 of the Act and Regulation 16 of the Listing Regulations, the Company has received declarations from all the Independent Directors of the Company that they continue to meet with the criteria of independence as provided in the Act and the Listing Regulations. Further, all the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Company.

The meeting of Independent Directors, chaired by Shri Ajit Kumar, Chairman & Independent Director, was held on 13/02/2020 pursuant to Schedule IV of the Act and the Listing Regulations to review the performance of the Chairman, Non-Independent Directors of the Company and the performance of the Board as a whole. The Directors also discussed the quality, quantity and timeliness of flow of information between the Company management and the Board, which is necessary for the Board to effectively and reasonably perform their duties.

During the year ended 31/03/2020, 1 (one) meeting of Independent Directors was held on 13/02/2020 as detailed hereunder:

S. No.	Name of the Director	Whether Chairman / Member	No. of Meeting(s) attended during F.Y. 2019-2020 and dates	
1	Shri Ajit Kumar	Chairman	1	13/02/2020
2	Shri R. Bandyopadhyay	Member	1	13/02/2020
3	Shri D.K. Mehrotra	Member	1	13/02/2020
4	Dr. R. L. Bishnoi	Member	1	13/02/2020

6. Annual Return extract (MGT-9)

The details forming part of the extract of the Annual Return for the year 2019-20 in Form MGT-9 is enclosed as **Annexure A** and the same has been placed on the website of the Company, www.vlsfinance.com.

7. Contracts with Related Party

The disclosure in prescribed form AOC-2 is enclosed as **Annexure B**.

8. Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3) of the Companies Act, 2013, the Directors hereby confirm:

- a. that in the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- b. that they 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 of the *profit* of the Company for that period;
- c. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that they have prepared the Annual Accounts for the financial year ended 31st March, 2020 on a 'going concern' basis;
- e. that they have laid down Internal Financial controls to be followed by the Company and that such Internal Financial Controls are adequate and effective and
- f. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating.

9. Evaluation of Board/Committees/Individual Directors

The Board carried out the annual performance evaluation of its own performance and its Committees in its meeting held on 16/07/2020. The said exercise was led by the independent

directors who are also constituents of Nomination and Remuneration Committee. The evaluation process focused on different aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competence, performance of specific duties and obligations, governance issues etc. The aim was to assess the effectiveness of the Board's/Committees' processes, and to identify any actions required to improve effectiveness. The review thus focused on the following associated areas viz. structure, leadership, strategy, risks, decision making and development.

The evaluation process inter-alia comprised the following:

- Review of Board, Committees and management information and other relevant documentation
- Discussions with all directors on the Board, Committee members focusing on aspects of the Board's and Committees' composition; strategy, risk and controls; decision-making, roles and performance of the Chairman, independent directors, executive directors and other non-executive directors.

Given the experience and qualifications of the Board members, it was not considered necessary to engage external persons to facilitate the evaluation process.

As per the provisions of Section 178(2) of Companies Act, 2013, the Board of Directors carried out annual evaluation of each Director's performance in its meeting held on 16/07/2020 on the parameters including attendance, contribution and independent judgment by individual directors. Since all Directors have rich experience of corporate environment, so they are accustomed to having their performance regularly evaluated.

10. Proper systems to ensure that compliances were adequate and effective

The professional conduct sets expectations that all employees shall comply with all laws and regulations governing Company's conduct. Information is reported upwards internally within the organization to senior management and if appropriate, also shared with the Board of Directors and/or the external auditors. Information is reported externally in public filings, if it meets the criteria for requiring public disclosure.

11. Corporate Social Responsibility (CSR)

The Company is covered under the threshold prescribed under the Act for CSR. During the year under review the Company sanctioned Rs. 5.00 Lacs to Lal Bahadur Shastri National Memorial Trust ("LBST"), 1 Motilal Nehru Place, New Delhi-110011 for construction of rooms for Mechanical Engineering course at LBST Polytechnic in Village Manda, Near Allahabad (U.P.). Additionally, a contribution of Rs. 5.50 Lacs and Rs. 5.00 Lacs has been sanctioned to IIMPACT, a Gurgaon based non-profit organisation and Rahab Center for Hope ('Rahab') based in New Delhi, respectively. IIMPACT is

engaged in activities relating to promotion of primary education of girls in rural areas of Kanpur Dehat, Uttar Pradesh and the Company has supported these centers in past three years as well. The amount of Rs. 5.00 Lacs sanctioned in the financial year to Rahab for their project was not disbursed due to change of objective for which the financial assistance was sanctioned. The revised proposal has been sanctioned afresh in the current year but not disbursed due to non-submission of documents as required by the Company. Further, during the year under review, Rs. 55.50 Lacs was sanctioned to Sri Sathya Sai Health & Education Trust which runs Sri Sathya Sai Sanjeevani Hospitals at Atal Nagar-Chhattisgarh, Palwal-Haryana and Navi Mumbai-Maharashtra for child heart care. This amount was for treatment of 37 children with congenital heart disease and would include all services viz. diagnostics, open heart surgery, post-operative care, diet etc. completely free of cost to all the patients irrespective of financial status and they also provide free accommodation & food to the patient's attendant during the patient's stay in the hospital. Due to interpretation difference of section 135(5) of the Act, the figures provided in earlier reports included present financial year as against the previous year. The same has been modified accordingly.

The Company also contributed Rs. 11.00 Lacs to Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund ("PM-CARES Fund") set up by Central Government vide notification by Ministry of Corporate Affairs no. eF.No. CSR-05/1/2020-CSR-MCA dated 28/03/2020, the PIB release no. 1608851 dated 28/3/2020 for COVID-19 relief. All the CSR proposals are vetted and recommended by the CSR Committee to the Board of Directors for its approval.

The report of CSR Committee in terms of Section 135 of the Companies Act, 2013 is enclosed as **Annexure-C** to this report.

12. Number of Board and Committee Meetings

Relevant details have been provided in the Report on Corporate Governance enclosed as **Annexure-D** of this Annual Report.

13. Policies

Your Company has formulated the following policies to optimize its performance and functions.

A. Corporate Social Responsibility Policy

The CSR policy can be accessed at Company's website viz. www.vlsfinance.com under the head 'Investor Relations'.

B. Related Party Transaction

The detailed policy may be accessed at www.vlsfinance.com under the head 'Investor Relations'.

The Board of Directors (the "Board") of VLS Finance Limited (the "Company") has adopted this Policy. The said Policy includes the materiality threshold and the

manner of dealing with Related Party Transactions ("Policy") in compliance with the requirements of Section 188 of the Companies Act, 2013 and conforms to the requirements of regulation 23 of the Listing Regulations.

This Policy applies to transactions between the Company and one or more of its Related Parties. It provides a framework for governance and reporting of Related Party Transactions including material transactions.

This Policy is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties in compliance with the applicable laws and regulations as may be amended from time to time.

C. Board diversity

The detailed policy may be accessed at www.vlsfinance.com under the head 'Investor Relations'.

VLS Finance Ltd. recognises and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry knowledge and experience, background, race, gender and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and when possible would be balanced appropriately. All Board appointments shall be made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

D. Risk Management

The detailed policy may be accessed at www.vlsfinance.com under the head 'Investor Relations'.

The Company has formed Risk Management Policy to ensure appropriate risk management within its systems and culture. The Company operates in a competitive environment and is generally exposed to various risks at different times such as technological risks, business risks, operational risks, financial risks, etc. The Board of Directors and the Audit Committee of the Company shall periodically review the Risk Management Policy of the Company so that the Management controls the risk through properly defined network.

The Company has a system based approach to business risk management backed by strong internal control systems. A strong independent Internal Audit Function at the corporate level carries out risk focused audits across all businesses, enabling identification of areas where risk managements processes may need to be improved. The Board reviews internal audit findings, and provided strategic guidance on internal

controls, monitors the internal control environment within the Company and ensures that Internal Audit recommendations are effectively implemented.

The combination of policies and procedures adequately addresses the various risks associated with your Company's businesses.

E. Anti-sexual harassment mechanism

The detailed mechanism may be accessed at www.vlsfinance.com under the head 'Investor Relations'.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All women employees inter-alia permanent, contractual, temporary, trainees are covered under this policy.

The Internal Complaints Committee is headed by the woman Director on the Board. There were no complaints received from any employee or otherwise during the year under review and no complaints were pending as on 31/03/2020.

F. Nomination and Remuneration Policy

The detailed policy may be accessed at www.vlsfinance.com under the head 'Investor Relations'.

Pursuant to the provisions of Section 178(3) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the NRC has formulated a policy relating to the remuneration for the Directors, Key Managerial Personnel (KMP), Senior Management and other employees including their annual evaluation. While formulating this policy, the NRC has considered the factors laid down in Section 178(4) of the Companies Act, 2013 and the Listing Regulations, as amended.

G. Vigil Mechanism /Whistle Blower

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. Vigil (whistleblower) mechanism provides a channel to the employees and directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policy. The mechanism provides for adequate safeguards against victimization of directors and employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

The detailed mechanism may be accessed at www.vlsfinance.com under the head 'Investor Relations'.

14. Corporate Governance and Compliance Certificate

We have reported in **Annexure D** to this report, the extent of compliance of Corporate Governance practices in accordance with Regulation 34(3) of the SEBI (Listing

Obligations & Disclosure Requirements) Regulations, 2015.

The requisite certificate from A Aggarwal and Associates-Company Secretaries signed by Shri Ashutosh Aggarwal, Practicing Company Secretary (COP:7467) confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of Company by the SEBI / Ministry of Corporate Affairs or any such statutory authority is appended at the end of aforesaid report.

15. Auditors

Statutory Auditors

In terms of Section 139 read with Companies (Audit and Auditors) Rules, 2014 M/s. M. L. Puri & Co. - Chartered Accountants, (FRN: 002312N) had been appointed for a period of 5 years i.e. from the conclusion of 30th Annual General Meeting till the conclusion of 35th Annual General Meeting of the Company subject to applicable regulations. The members in the 31st AGM of the Company had authorised for the Board to fix the remuneration of the Auditors for the remaining tenure. The item in the notice convening 33rd AGM for fixation of remuneration of Statutory Auditors has been, therefore, dispensed with. The Statutory Auditors have consented to continue as Statutory Auditors and have given a confirmation that they are eligible to continue with their appointment and have not been disqualified in any manner for continuing as Statutory Auditors.

Secretarial Auditor

The Board in its meeting held on 16/07/2020 has appointed Ms. Pooja Nichani-Practicing Company Secretary (CoP:11351) as Secretarial Auditor for the year 2020-2021.

Cost Auditor

The provisions relating to cost records and audit are not applicable to your Company.

16. Auditors' Report

The observations made by the Statutory Auditors, with reference to notes on accounts for the year under report, have been adequately dealt with in the relevant Notes forming part of Financial Statements and need no further comments from Directors.

17. Secretarial Audit Report

The Secretarial Audit Report for the year 2019-20 submitted by Secretarial Auditor in terms of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as **Annexure E**. The comments/ observations by Secretarial Auditor also explain the stand taken by the Company. The Company is confident of positive outcome in matters commented upon by the Secretarial Auditor.

18. Statutory Information.

- The Board in its meeting held on 25/10/2018 had approved the proposal for voluntary delisting from the Calcutta Stock Exchange Ltd. ('CSE'). When the Company approached CSE, thereafter for completing formalities of delisting, it was learnt that CSE had suspended the scrip of your Company alleging non-payment of listing fee for the year 2014-15 and other non-compliances. Since the Company had paid the said listing fee in time and also made other compliances the same were promptly informed to CSE in response to their communications. However, the Exchange had been inordinately delaying the process and delisting approval has not yet been granted. Regarding listing fee for the year 2020-21, the stand taken by the Company is that the same is not payable since the Company had approached Exchange for delisting of scrip well in time and cannot be made liable for payment of the fee when the delay is on part of Exchange.
- There had been no change in the nature of business and name of Company during the year under review.
- Your Company's dispute with BMS IT Institute Pvt. Ltd. has come to an end in terms of order dated 05/04/2020 of Hon'ble Supreme Court of India. The final implementation of the order of the Hon'ble Supreme Court will take place in the year 2020-21.
- During the year under review, the Company did not absorb any new technology or carry out any R&D related activity for this purpose. However, use of energy efficient devices, wherever possible, in conducting business of Company is part of its administration policies. The detailed disclosure is enclosed as **Annexure F** to this report.
- The shares of the Company are presently listed at BSE Ltd., The National Stock Exchange of India Ltd., Mumbai and The Calcutta Stock Exchange Ltd., Kolkata (pending delisting).
- The Company has paid the annual listing fees for the year 2020-21 to BSE Ltd. and The National Stock Exchange of India Ltd.
- Your Company's principal business is acquisition of securities; hence Section 186 of the Act is not applicable. There had been no change in business of the Company during the year.
- Your Company has not issued equity shares with differential voting rights, sweat equity or ESOP in terms of Section 43 and Section 62 of the Companies Act, 2013, during the year under review.

- No revision of financial statements or Board's Report has been made in terms of Section 131 of the Companies Act, 2013, during the year under review.
- Disclosure relating to ratio of the remuneration of each director to the median employee's remuneration in terms of Section 197(12) of the Companies Act, 2013 is enclosed as **Annexure G** to this report.
- Executive Vice-Chairman, Managing Director and Director- Finance & CFO of your company are not in receipt of any remuneration or commission from any of subsidiary company in terms of Section 197(14) of the Companies Act, 2013. Shri Ajit Kumar (DIN: 00106597) and Dr. S Ramesh (DIN: 00126120) were appointed by special resolutions for their 2nd term of 5 years in 32nd Annual General Meeting held on 12/09/2019.
- There were no orders passed by the regulators against the Company.

19. Fixed Deposits

The Company has not accepted any fixed deposit during the year under review. The Company has no plans to accept any deposits from the public in the current year.

20. Human Resources

Employee relations continued to be cordial during the year. The number of employees stood at 31 (Thirty one) at the end of the year under review. The Directors place on record their appreciation of the devoted service of the employees at all levels. In terms of the provisions of Section 197 of the Companies Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there was no employee during the year drawing remuneration more than the stipulated amount in the said rules. Your Company has not approved any scheme relating to provision of money to be held in a trust for the benefit of the employees in terms of Section 67(3)(b) of the Companies Act, 2013 during the year under review.

21. Green initiative in Corporate Governance

As a continuing endeavor towards the Go Green Initiative, the Company has been sending documents like the notice calling the general meeting, audited financial statements, directors' report, auditors' report etc. in electronic form, to the email addresses provided by the members directly or made available to us by the depositories, besides regular correspondence. The electronic mode is both economical and speedier compared to physical documents. Members who hold shares in physical form are, therefore, requested to register their e-mail addresses and intimate any change in e-mail id, with the Company or with the Registrar & Share Transfer Agents, RCMC Share Registry Pvt. Ltd. In respect of electronic holdings, members are requested to register their e-mail addresses with the depository through their concerned

depository participants. You may kindly note that even after registration of e-mail ID, you are entitled to be furnished, free of cost, a printed copy of the annual report of the Company, upon receipt of a requisition from you, at any time. In case you desire to receive Company's communication and documents in physical form, you are requested to intimate us through email at hconsul@vlsfinance.com.

22. Subsidiary/Associate Companies

Statement pursuant to Section 129(3) of the Companies Act, 2013 for the financial year ended 31/03/2020 in respect of the subsidiary/associate companies, is enclosed with Annual Accounts of the Company.

The consolidated financial results include the audited financial results for the year ended on 31.3.2020 of the subsidiaries VLS Securities Limited (99.67%) and VLS Asset Management Limited (99.15%). The financial results of VLS Capital Ltd. for the same period have been consolidated as an associate under equity method of accounting. The financial results of other companies included in consolidated results in previous years namely, BMS IT Institute Private Limited (BMS) and Sunair Hotels Ltd. (Sunair) are not included in these consolidated financial statements as the company has already disposed off its investments in equity of BMS during the year under review as per the settlement reached in terms of the order passed by the Hon'ble Supreme Court of India. As regards Sunair, it does not fall under the definition of an associate as per Ind AS-28 due to absence of significant influence on account of ongoing disputes between the Company and Sunair, hence excluded from consolidation of financial results of the year under review.

Separate section on performance and financial position of subsidiary companies and associate company have been provided as Note nos. 40 and 41 of Notes forming part of consolidated financial statement in the Annual Report for the year under review.

23. Consolidated Financial Statements

In compliance of Section 129(3) of the Companies Act, 2013, the consolidated financial statements in accordance with the prescribed accounting standards are annexed to the audited annual accounts for the year under review.

24. Acknowledgements

The Directors thank the Company's business associates, customers, Bankers, the Securities & Exchange Board of India and Stock Exchanges, employees, customers, vendors, investors and academic partners for their continuous support. The Directors also thank the Government of India and Governments of various states in India.

For and on behalf of the Board

Place: New Delhi
Date : 31/08/2020

S.K. Agarwal
(Managing Director)
DIN: 00106763

K. K. Soni
Director Finance & CFO
DIN: 00106037

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2020**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L65910DL1986PLC023129
ii	Registration Date	20/01/1986
iii	Name of the Company	VLS FINANCE LIMITED
iv	Category/Sub-category of the Company	Public Limited Company
v	Address of the Registered office & contact details	2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi-110065 Phone Nos. 011-46656666 Fax: 011-46656699
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. RCMC Share Registry Pvt. Ltd., CIN: U67120DL1950PTC001854 INR: 000000429 B-25/1 First Floor, Okhla Industrial Area Phase-II, New Delhi-110020 Phone Nos. 011-26387320,21,23 Fax 011-26387322 EMAIL: investor.services@rcmdlh.com

II PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

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

Sl. No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Investment	9999999	99.99

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	VLS Securities Ltd. 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi-110065	U74899DL1994PLC062123	Subsidiary	99.67	2(87)
2	VLS Asset Management Ltd. 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi-110065	U74899DL1995PLC065812	Subsidiary	99.15	2(87)
3	VLS Capital Ltd. C-561, Defence Colony, New Delhi-110024	U67190DL1985PLC022302	Associate	38.09	2(6)

IV SHAREHOLDING PATTERN (Equity Share capital Breakup as % of total Equity)
(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	3854685	0	3854685	9.97%	3854685	0	3854685	9.97%	0.00%
b) Central Govt.or State Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corporates	13766506	29300	13795806	35.68%	13766506	29300	13795806	35.68%	0.00%
d) Bank/FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any other	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL:(A) (1)	17621191	29300	17650491	45.65%	17621191	29300	17650491	45.65%	0.00%
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Banks/FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any other...	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	17621191	29300	17650491	45.65%	17621191	29300	17650491	45.65%	0.00%
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	100	100	0.00%	0	100	100	0.00%	0.00%
b) Banks/FI	34711	500	35211	0.09%	12695	500	13195	0.03%	-0.06%
c) Central govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Fund	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FIIS	0	300	300	0.00%	0	300	300	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
a) NBFC regd. With RBI	4106	0	4106	0.01%	0	0	0	0.00%	-0.01%
b) Foreign Portfolio Investors (FPI)	0	0	0	0.00%	832096	0	832096	2.15%	2.15%
SUB TOTAL (B)(1):	38817	900	39717	0.10%	844791	900	845691	2.19%	2.08%
(2) Non Institutions									
a) Bodies corporates									
i) Indian	1413221	70300	1483521	3.84%	887327	70300	957627	2.48%	-1.36%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	11046909	2928847	13975756	36.15%	10543689	2763544	13307233	34.42%	-1.73%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	5207152	0	5207152	13.47%	5579422	0	5579422	14.43%	0.96%
c) Others (specify)									
a) NRI / OCB	274143	2800	276943	0.72%	275630	2800	278430	0.72%	0.00%
b) Foreign National	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Clearing Member	23524	0	23524	0.06%	41885	0	41885	0.11%	0.05%
d) LLP	4913	0	4913	0.01%	1238	0	1238	0.00%	-0.01%
e) Trust	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL (B)(2):	17969862	3001947	20971809	54.24%	17329191	2836644	20165835	52.16%	-2.08%
Total Public Shareholding (B)=(B)(1)+(B)(2)	18008679	3002847	21011526	54.35%	18173982	2837544	21011526	54.35%	0.00%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	35629870	3032147	38662017	100.00%	35795173	2866844	38662017	100.00%	0.00%
No. of Members as on 31/03/2019	24689				No. of Members as on 31/03/2020			22991	

(ii) SHARE HOLDING OF PROMOTERS

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	Shri M. P. Mehrotra	0	0.00%	0.00	0	0.00%	0.00	0.00%
2	VLS Commodities Pvt. Ltd.	457768	1.18%	0.00	457768	1.18%	0.00	0.00%
3	Vikas Mehrotra	486006	1.26%	0.00	486006	1.26%	0.00	0.00%
4	Ms. Divya Mehrotra	499726	1.29%	0.00	499726	1.29%	0.00	0.00%
5	M. P. Mehrotra (HUF)	1984262	5.13%	0.00	1984262	5.13%	0.00	0.00%
6	VLS Capital Ltd.	13336538	34.50%	0.00	13336538	34.50%	0.00	0.00%
7	South Asian Enterprises Ltd.	1500	0.00%	0.00	1500	0.00%	0.00	0.00%
8	Pragati Moulders Ltd.	0	0.00%	0.00	0	0.00%	0.00	0.00%
9	Mrs. Sadhana Mehrotra	884691	2.29%	0.00	884691	2.29%	0.00	0.00%
10	Ms. Daya Mehrotra	0	0.00%	0.00	0	0.00%	0.00	0.00%
11	Shri Ramji Mehrotra	0	0.00%	0.00	0	0.00%	0.00	0.00%
12	Mrs. Sushma Mehrotra	0	0.00%	0.00	0	0.00%	0.00	0.00%
	Total	17650491	45.65%	0.00	17650491	45.65%	0.00	0.00%

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

S. No.	Shareholder's Name	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	VLS Capital Ltd.				
	At the beginning of the year	13336538	34.50	13336538	34.5
	At the end of the year			13336538	34.5
2	Divya Mehrotra				
	At the beginning of the year	499726	1.29	499726	1.29
	At the end of the year			499726	1.29
3	Mahesh Prasad Mehrotra HUF				
	At the beginning of the year	1984262	5.13	1984262	5.13
	At the end of the year			1984262	5.13
4	Sadhana Mehrotra				
	At the beginning of the year	884691	2.29	884691	2.29
	At the end of the year			884691	2.29
5	VLS Commodities Private Limited				
	At the beginning of the year	457768	1.18	457768	1.18
	At the end of the year			457768	1.18

S. No.	Shareholder's Name	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
6	South Asian Enterprises Ltd				
	At the beginning of the year	1500	0	1500	0
	At the end of the year			1500	0
7	Vikas Mehrotra				
	At the beginning of the year	486006	1.26	486006	1.26
	At the end of the year			486006	1.26

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For Each of the Top 10 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	ANURAG JAIN					
	At the beginning of the year 01/04/2019		477611	1.24	477611	1.24
	26/07/2019	Transfer	3576	0.01	481187	1.24
	02/08/2019	Transfer	6283	0.02	487470	1.26
	01/11/2019	Transfer	11	0	487481	1.26
	17/01/2020	Transfer	-282	0	487199	1.26
	07/02/2020	Transfer	-467	0	486732	1.26
	At the end of the year 31/03/2020				486732	1.26
2	PRATEEK BANSAL					
	At the beginning of the year 01/04/2019		466107	1.21	466107	1.21
	At the end of the year 31/03/2020				466107	1.21
3	RENU KABRA					
	At the beginning of the year 01/04/2019		315150	0.82	315150	0.82
	At the end of the year 31/03/2020				315150	0.82
4	UMA PATI KESHARI					
	At the beginning of the year 01/04/2019		297800	0.77	297800	0.77
	28/06/2019	Transfer	5000	0.01	302800	0.78
	05/07/2019	Transfer	2200	0.01	305000	0.79
	19/07/2019	Transfer	2581	0.01	307581	0.8
	26/07/2019	Transfer	2610	0.01	310191	0.8
	02/08/2019	Transfer	3046	0.01	313237	0.81
	09/08/2019	Transfer	6663	0.02	319900	0.83
	16/08/2019	Transfer	9253	0.02	329153	0.85
	23/08/2019	Transfer	47	0	329200	0.85
	30/08/2019	Transfer	1300	0	330500	0.85
	06/09/2019	Transfer	500	0	331000	0.86
	06/12/2019	Transfer	4100	0.01	335100	0.87
	20/12/2019	Transfer	2900	0.01	338000	0.87
At the end of the year 31/03/2020				338000	0.87	
5	KABIR MULJI					
	At the beginning of the year 01/04/2019		290000	0.75	290000	0.75
	At the end of the year 31/03/2020				290000	0.75
6	THE DHAMPUR SUGAR MILLS LTD					
	At the beginning of the year 01/04/2019		263142	0.68	263142	0.68
	At the end of the year 31/03/2020				263142	0.68
7	SURENDRA KUMAR GUPTA					
	At the beginning of the year 01/04/2019		236905	0.61	236905	0.61
	17/05/2019	Transfer	110921	0.29	347826	0.9
	14/06/2019	Transfer	-22929	-0.06	324897	0.84
	21/06/2019	Transfer	-9978	-0.03	314919	0.81
	19/07/2019	Transfer	-15381	-0.04	299538	0.77
	11/10/2019	Transfer	51667	0.13	351205	0.91
At the end of the year 31/03/2020				351205	0.91	
8	HIMMAT SINGH					
	At the beginning of the year 01/04/2019		233144	0.6	233144	0.6
	08/11/2019	Transfer	30	0	233174	0.6
	20/12/2019	Transfer	1800	0	234974	0.61
	24/01/2020	Transfer	4298	0.01	239272	0.62
	31/01/2020	Transfer	739	0	240011	0.62
	07/02/2020	Transfer	1500	0	241511	0.62

S. No.	For Each of the Top 10 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
	14/02/2020	Transfer	2300	0.01	243811	0.63
	21/02/2020	Transfer	200	0	244011	0.63
	28/02/2020	Transfer	400	0	244411	0.63
	06/03/2020	Transfer	4484	0.01	248895	0.64
	13/03/2020	Transfer	2805	0.01	251700	0.65
	At the end of the year 31/03/2020				251700	0.65
9	PARVEEN KUMAR					
	At the beginning of the year 01/04/2019		183914	0.48	183914	0.48
	At the end of the year 31/03/2020				183914	0.48
10	ASHA DEVI					
	At the beginning of the year 01/04/2019		173000	0.45	173000	0.45
	16/08/2019	Transfer	2000	0.01	175000	0.45
	30/08/2019	Transfer	500	0	175500	0.45
	13/09/2019	Transfer	5000	0.01	180500	0.47
	08/11/2019	Transfer	50	0	180550	0.47
	06/12/2019	Transfer	5900	0.02	186450	0.48
	13/12/2019	Transfer	550	0	187000	0.48
	At the end of the year 31/03/2020				187000	0.48
11	VOF MASTER LTD					
	At the beginning of the year 01/04/2019		24186	0.06	24186	0.06
	12/04/2019	Transfer	19378	0.05	43564	0.11
	19/04/2019	Transfer	7652	0.02	51216	0.13
	26/04/2019	Transfer	23250	0.06	74466	0.19
	03/05/2019	Transfer	11386	0.03	85852	0.22
	10/05/2019	Transfer	30071	0.08	115923	0.3
	17/05/2019	Transfer	5724	0.01	121647	0.31
	24/05/2019	Transfer	14060	0.04	135707	0.35
	14/06/2019	Transfer	26388	0.07	162095	0.42
	21/06/2019	Transfer	37258	0.1	199353	0.52
	28/06/2019	Transfer	33642	0.09	232995	0.6
	05/07/2019	Transfer	21015	0.05	254010	0.66
	19/07/2019	Transfer	3900	0.01	257910	0.67
	26/07/2019	Transfer	14014	0.04	271924	0.7
	02/08/2019	Transfer	17604	0.05	289528	0.75
	09/08/2019	Transfer	21000	0.05	310528	0.8
	16/08/2019	Transfer	8672	0.02	319200	0.83
	23/08/2019	Transfer	11465	0.03	330665	0.86
	30/08/2019	Transfer	9000	0.02	339665	0.88
	06/09/2019	Transfer	14939	0.04	354604	0.92
	13/09/2019	Transfer	43070	0.11	397674	1.03
	20/09/2019	Transfer	13700	0.04	411374	1.06
	27/09/2019	Transfer	32684	0.08	444058	1.15
	04/10/2019	Transfer	25162	0.07	469220	1.21
	11/10/2019	Transfer	16750	0.04	485970	1.26
	18/10/2019	Transfer	11847	0.03	497817	1.29
	25/10/2019	Transfer	16036	0.04	513853	1.33
	01/11/2019	Transfer	10399	0.03	524252	1.36
	08/11/2019	Transfer	16339	0.04	540591	1.4
	15/11/2019	Transfer	11510	0.03	552101	1.43
	22/11/2019	Transfer	24000	0.06	576101	1.49
	29/11/2019	Transfer	38203	0.1	614304	1.59
	06/12/2019	Transfer	14180	0.04	628484	1.63
	13/12/2019	Transfer	15989	0.04	644473	1.67
	20/12/2019	Transfer	14500	0.04	658973	1.7
	27/12/2019	Transfer	7797	0.02	666770	1.72
	10/01/2020	Transfer	-17902	-0.05	648868	1.68
	17/01/2020	Transfer	-36805	-0.1	612063	1.58
	24/01/2020	Transfer	-33419	-0.09	578644	1.5
	31/01/2020	Transfer	-21958	-0.06	556686	1.44
	07/02/2020	Transfer	-32478	-0.08	524208	1.36
	14/02/2020	Transfer	-10225	-0.03	513983	1.33
	21/02/2020	Transfer	-12217	-0.03	501766	1.3
	28/02/2020	Transfer	-3789	-0.01	497977	1.29
	06/03/2020	Transfer	-1	0	497976	1.29
	13/03/2020	Transfer	-1008	0	496968	1.29
	27/03/2020	Transfer	-2436	-0.01	494532	1.28
	31/03/2020	Transfer	-1339	0	493193	1.28
	At the end of the year 31/03/2020				493193	1.28

S. No.	For Each of the Top 10 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
12	VENUS MASTER FUND					
	At the beginning of the year 01/04/2019		0	0	0	0
	10/01/2020	Transfer	13358	0.03	13358	0.03
	17/01/2020	Transfer	37167	0.1	50525	0.13
	24/01/2020	Transfer	48036	0.12	98561	0.25
	31/01/2020	Transfer	38819	0.1	137380	0.36
	07/02/2020	Transfer	57785	0.15	195165	0.5
	14/02/2020	Transfer	16425	0.04	211590	0.55
	21/02/2020	Transfer	26120	0.07	237710	0.61
	28/02/2020	Transfer	27626	0.07	265336	0.69
	06/03/2020	Transfer	24417	0.06	289753	0.75
	13/03/2020	Transfer	14261	0.04	304014	0.79
	20/03/2020	Transfer	26221	0.07	330235	0.85
	27/03/2020	Transfer	8668	0.02	338903	0.88
	At the end of the year 31/03/2020				338903	0.88

(v) **Shareholding of Directors & KMP**

S. No	For Each of the Directors & KMP	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	Shri Vikas Mehrotra				
	At the beginning of the year 01/04/2019	486006	1.26%	486006	1.26%
	At the end of the year 31/03/2020			486006	1.26%

No other Director or KMP held any shares of the Company in his/her individual capacity during the year or at the end of year i.e. 31/03/2020.

V INDEBTEDNESS

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

(Amount in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	14.35	-	-	14.35
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	14.35	-	-	14.35
Change in Indebtedness during the financial year				
Additions	22.89			22.89
Reduction	14.35			14.35
Net Change	8.54	-	-	8.54
Indebtedness at the end of the financial year				
i) Principal Amount	22.89			22.89
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	-			-
Total (i+ii+iii)	22.89	-	-	22.89

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

(Amount in Lacs)

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
		Shri M. P. Mehrotra Executive Vice-Chairman	Shri S. K. Agarwal- Managing Director	Shri K. K. Soni-Director Finance & CFO	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	60.00	35.03	33.63	128.66
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others (specify)	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	60.00	35.03	33.63	128.66
	Ceiling as per the Act per annum	60.00	60.00	60.00	

B. Remuneration to other directors:

(Amount in Lacs)

SI.No	Particulars of Remuneration	Name of the Directors					Total Amount
		Dr. S. Ramesh	Shri Ajit Kumar	Shri R. Bandyopadhyay	Shri Rajeev Lochan Bishnoi	Shri D.K. Mehrotra	
1	Independent Directorsa						
	(a) Fee for attending board/ committee meetings	1.40	3.70	3.10	1.10	2.10	11.40
	(b) Commission						-
	(c) Others, please specify						-
	Total (1)	1.40	3.70	3.10	1.10	2.10	11.40
2	Other Non Executive Directors	Mrs Neeraj Arora	Shri Vikas Mehrotra				
	(a) Fee for attending board/ committee meetings	1.00	1.60				2.60
	(b) Commission						-
	(c) Others, please specify.						-
	Total (2)	1.00	1.60				2.60
	Total (B)=(1+2)	2.40	5.30	3.10	1.10	2.10	14.00
	Total Managerial Remuneration	N.A.	N.A.		N.A.		N.A.
	Overall Ceiling as per the Act. Per meeting, per person	1.00	1.00	1.00	1.00	1.00	

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL (OTHER THAN MD/MANAGER/WTD):

(Amount in Lacs)

SI. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Mr K K Soni, CFO	Mr H. Consul, Company Secretary	Total
1	Gross Salary	N.A.	N.A.*		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.			21.99	21.99
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961			0.10	0.10
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			0	0
2	Stock Option			0	0
3	Sweat Equity			0	0
4	Commission			0	0
	1. as % of profit			0	0
	2. others, specify	0	0		
5	Others, please specify	0	0		
	Total	22.09	22.09		

* Shri K. K. Soni - Director Finance, being Whole Time Director, is holding position of CFO also, hence not applicable.

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	*	*	*	*	*
Punishment	*	*	*	*	*
Compounding	*	*	*	*	*
B. DIRECTORS					
Penalty	*	*	*	*	*
Punishment	*	*	*	*	*
Compounding	*	*	*	*	*
C. OTHER OFFICERS IN DEFAULT					
Penalty	*	*	*	*	*
Punishment	*	*	*	*	*
Compounding	*	*	*	*	*

* No Penalty, punishment imposed or compounding undertaken by the company or Directors or other officers in default during the year under review.

Form AOC-2

(Pursuant to clause (h) of sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis

Sl. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	VLS Asset Management Ltd. - Subsidiary
b)	Nature of contracts/arrangements/transactions	Financial assistance
c)	Duration of the contracts / arrangements/transactions	Perpetual unless rescinded.
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Non- interest bearing.
e)	Justification for entering into such contracts or arrangements or transactions	Financial health of subsidiary.
f)	date(s) of approval by the Board	N.A.#
g)	Amount paid as advances, if any:	N.A.#
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	N.A.#

The arrangement was in existence prior to 01/04/2014 and no change in terms have been made.

2. Details of material contracts or arrangement or transactions at arm's length basis

Sl. No.	Particulars	Details
a)	Name(s) of the related party	Nil
b)	Nature of relationship	
c)	Nature of contracts/ arrangements/ transactions	
d)	Duration of the contracts / arrangements/transactions	
e)	Salient terms of the contracts or arrangements or transactions	
f)	Justification for entering into such contracts or arrangements or transactions	
g)	date(s) of approval by the Board	
h)	Amount received	

Annual Report on CSR Initiatives

- (1) A brief outline of the Company's CSR policy including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes:

The CSR policy of the Company provides that the Company may undertake one or more project / CSR activity strictly in line with areas specified in Schedule VII as amended, read with Section 135 of the Companies Act, 2013 and the same is placed on the website of the Company- www.vlsfinance.com.

- (2) The composition of the CSR Committee:

Shri Ajit Kumar, Shri R. Bandyopadhyay (ceased w.e.f. 29-04-2020), Shri M. P. Mehrotra and Shri S.K. Agarwal.

- (3) Average net profit of the Company for last three financial years : Rs. 2,549.15/- lacs
- (4) Prescribed CSR Expenditure (two percent of the amount as in item 3 above) : Rs. 50.98/- lacs
- (5) Details of CSR spent during the financial year:
- (6) Total amount to be spent for the financial year : Rs. 107.52/- lacs
- (7) Amount unspent, if any : Rs. 25.52/- \$

a) Manner in which the amount spent during the financial year is detailed below:

(Amount in Lacs)

S. No.	CSR Project/ activity identified.	Sector in which the Project is covered.	Projects/ Programs Local area/others Specify the state and District where projects /programs were undertaken.	Amount outlay (budget): Project or program wise.	Amount spent on project/ program 1.Direct expenditure on projects/ programs. 2. Overheads.	Cumulative expenditure upto the reporting period.	Amount spent direct/through implementing agency.
1	Rahab Center for Hope	Promoting Sanitation	Project- Meri Saheli to setup unit in New Delhi for cheaper Sanitary Napkins.	5.00	1. Nil*	Nil	N.A.
2	IIMPACT	Girl child education	(Project-Education to Girl child in 5 centers in U.P. for 5 years)	5.50	1. 5.50	16.50	Implementing Agency
3	Laboratory for Mechanical Engineering Education Trust	Promoting Education	Lal Bahadur Shastri Polytechnic in Village Manda, Near Allahabad (U.P.)	5.00	1. 5.00	25.00	Implementing Agency
4	Sri Sathya Sai Sanjeevani hospital	Medical Care	Treatment of heart ailment in children from under privileged class	55.50	1. 55.50	55.50	Implementing Agency
5	PM-CARES Fund	Covid -19 Pandemic	Promoting health care	11.00	1. 11.00	11.00	Implementing Agency

* Not disbursed pending completion of documents.

\$ Unspent amount under clause 5(b) of the above annexure is excluding Rs. 5 lacs sanctioned to Rahab which is not yet spent.

The CSR Committee evaluates a proposal both for conformity with CSR Policy and affirmative results from its due diligence carried out by Committee. Thus, all proposals do not qualify for recommendation of CSR Committee, though the allocated amount is expected to be spent in the relevant financial year.

CSR Committee confirms that the implementation and monitoring of the CSR policy is, in compliance with the CSR objectives and policy of the Company.

Place: New Delhi
Date : 31/08/2020

Ajit Kumar
(Chairman - CSR Committee)
DIN: 00106597

S.K. Agarwal
(Managing Director)
DIN: 00106763

REPORT ON CORPORATE GOVERNANCE
Our Mission:

To be one of the top ranking Corporate to achieve sustained growth of business and profitability in core areas of investments, private placements and securities related operations, fulfilling socio economic obligations, excellence in customer service through up-gradation of skills of staff, their effective participation and making use of state of art technology.

Corporate Philosophy:

Your Company is committed to good corporate governance which enjoins the highest standard of ethical and responsible conduct of business to create value for all stake holders. The philosophy of your Company is to enhance the long-term economic value of the Company, its stakeholders and the society at large by adopting better corporate practices which not only ensures that the Company operates within the regulatory framework but also strive to achieve more transparency in management and institutional soundness.

1. Board of Directors

- a) The present strength of the Board is 8 Directors and except the Executive –Vice Chairman, Managing Director and Director -Finance & CFO, all are non-executive, consisting of 3 (three) independent directors and 2 (two) non-executive & non-independent directors. The Chairman is Non-Executive, Independent Director. The present constitution of Board adequately complies with the present requirement of composition of Board under Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"). The independent directors aforesaid adequately meet the criteria laid down in Section 149 of Companies Act, 2013 and other relevant laws as per declarations received by the Company.

The attendance record of directors for the year ended 31/03/2020 and other information about them as required under the Listing Regulations is as follows:

S. No.	Name of the Director	Whether Promoter/ Executive or Non-Executive/ Independent	No. of Board Meetings attended during F.Y. 2019-2020	Whether attended AGM held on 12/09/2019	No. of Directorships in other Public Limited Companies as on 31/08/2020	No. of Committee positions held in other Public Limited Companies	
						Chairman	Member
1)	Shri Ajit Kumar (Chairman)	Independent, Non-Executive	4	No	0	0	0
2)	Shri M. P. Mehrotra (Vice-Chairman)	Promoter, Executive	4	No	5	2	1
3)	Shri S. K. Agarwal (Managing Director)	Executive	4	Yes	3	0	0
4)	Shri K. K. Soni (Director Finance & CFO)	Executive	4	Yes	4	1	2
5)	Dr. (Mrs.) Neeraj Arora	Non-Executive, Promoter	2	No	1	0	0
6)	Dr. S. Ramesh (ceased w.e.f. 08/11/2019)	Independent, Non-Executive	2	Yes	1	0	2
7)	Shri R. Bandyopadhyay (resigned w.e.f. 29/04/2020)	Independent, Non-Executive	4	No	1	0	0
8)	Shri D.K. Mehrotra	Independent, Non-Executive	3	No	6	0	6
9)	Shri Vikas Mehrotra	Promoter, Non-Executive	4	No	2	0	0
10)	Dr. R. L. Bishnoi (appointed w.e.f. 25/11/2019)	Independent, Non-Executive	2	NA	5	1	5

None of the directors is a member of more than 10 Board-level committees, namely the Audit and the Stakeholders Relationship Committee or a Chairman of more than five such Committees, as required under Regulation 26 of the Listing Regulations. The directorship in other companies excludes directorships in any foreign company, private company and company under Section 8 of the Companies Act, 2013.

b) Board meetings and attendance

During the year ended 31/03/2020, 4(Four) board meetings were held with atleast one meeting in every quarter on 17/5/2019, 02/08/2019, 25/11/2019 and 13/02/2020 and the gap between two Board meetings did not exceed 120 days. The information as required under Schedule V (C) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is made available to the Board. The agenda and papers for consideration at the Board and its committee meetings are circulated in advance as required under law except when the meeting was called at a shorter notice. Adequate information is circulated as part of the Board papers and is also made available at the Board meeting to enable the Board to take informed decisions.

The dates on which Board meetings were held and directors present are as follows:

Sr. No.	Date of Board Meeting	Board Strength	No. of Directors present	Leave of absence was granted to:
1	17 th May, 2019	9	9	None
2	2 nd August, 2019	9	8	Dr. (Mrs.) Neeraj Arora
3	25 th November, 2019	9	7	a. Dr. (Mrs.) Neeraj Arora b. Shri D. K. Mehrotra
4	13 th February, 2020	9	9	None

- a) There were no material transactions with the non-executive directors during the year under review. For other related party transactions, necessary disclosures have been made under the head "Notes forming part of financial statement" in the annual accounts for the year under review.

b) Information supplied to the Board:

The Board has unfettered and complete access to any information within the Company and to any employee of the Company. All other relevant information as and when required including those envisaged in Regulation 17 of the listing regulations was regularly provided to the Board and Committees thereof. The requisite CEO and CFO certification was also placed before the Board alongwith the quarterly and annual accounts for the year under review as required under Regulation 33 of the listing regulations.

- c) Details of remuneration paid to the Directors during the Financial year ended on 31/03/2020:

(Amount in Lacs)

S. No.	Name of the Director	Salary	Perquisites	Sitting fee	Commission	Total
1	Shri Ajit Kumar	N.A.	N.A.	3.70	N.A.	3.70
2	Shri M. P. Mehrotra	60.00	N.A.	N.A.	N.A.	60.00
3	Shri S.K. Agarwal	35.03	0.00	N.A.	N.A.	35.03
4	Shri K. K. Soni	33.63	0.00	N.A.	N.A.	33.63
5	Shri Vikas Mehrotra	N.A.	N.A.	1.60	N.A.	1.60
6	Dr. S. Ramesh	N.A.	N.A.	1.40	N.A.	1.40
7	Dr. (Mrs.) Neeraj Arora	N.A.	N.A.	1.00	N.A.	1.00
8	Shri R. Bandyopadhyay	N.A.	N.A.	3.10	N.A.	3.10
9	Shri D. K. Mehrotra	N.A.	N.A.	2.10	N.A.	2.10
10	Dr. R. L. Bishnoi	N.A.	N.A.	1.10	N.A.	1.10

Notes:

- i) Currently, the Company does not have any stock option scheme.
- ii) No remuneration, except sitting fee is paid to Non-Executive Directors. The non-executive directors of your Company are only paid sitting fees and they are not entitled to any stock options and no payment of commission has been approved by the members. The criteria can also be accessed at www.vlsfinance.com.
- iii) Shri Vikas Mehrotra held 486006 equity shares of the Company as on 31/03/2020. No other director held any shares of the Company on that date. None of the directors except Shri M.P. Mehrotra, Shri Vikas Mehrotra and Dr. (Mrs.) Neeraj Arora are related to each other.
- iv) The service contract in case of Managing Director is 3 years ending on 20/08/2022. The tenure of Director -Finance & CFO is upto 31/07/2022. The service contract in case of Executive Director designated as Executive Vice - Chairman was for a period of 3 years upto 31/07/2020 and the Company has renewed the contract with its Executive Vice - Chairman for 3 years i.e. upto 31/07/2023 in its Board meeting held on 16/07/2020 subject to the approval of members in the ensuing AGM 2020. The notice period is 3 months for all the Whole-time Directors. Presently, all the directors other than independent directors are liable to retire by rotation as per provisions of the Companies Act, 2013.
- v) In case of Executive Directors the fixed component of salary are based on the recommendation of Nomination and Remuneration Committee of the Company, which takes into consideration the performance of relevant period. The performance criterion is provided in the section 'Evaluation of Board/ Committees/ Individual Directors' of the Directors' Report.

d) Code of Conduct

The Code of Conduct is applicable on all directors and senior managerial personnel of the Company with certain provisions applicable to all employees e.g. insider trading etc. The Code of Conduct is available on the Company's website. The declaration from Managing Director that all Board members and other concerned have complied with the code is appended to and forms part of this report.

Declaration for compliance with the Code of Conduct	
Pursuant to Regulation 26 read with Schedule V (D) of the Listing Regulations I hereby declare that the Company has obtained affirmative compliance with Code of Conduct from all the Board members and senior management personnel of the Company for the period under review, which ended on 31/03/2020.	
Date: 16/07/2020 Place: New Delhi	S. K. Agarwal Managing Director DIN: 00106763

e) Disclosures regarding appointment or re-appointment of Directors

The relevant information about directors retiring by rotation has been furnished in notice convening the ensuing Annual General Meeting.

f) Details of familiarization program imparted to independent directors can be accessed at www.vlsfinance.com.

g) Names of the listed entities where Directors are on Board including VLS Finance Ltd.

Name of Directors	Name of Listed Company	Category
Shri Ajit Kumar	VLS Finance Ltd.	Chairman-Independent Director
Shri M. P. Mehrotra	VLS Finance Ltd. Delton Cables Ltd. Dhampur Sugar Mills Ltd. South Asian Enterprises Ltd.	Executive Vice-Chairman Independent Director Independent Director Non-Executive Director
Shri S.K. Agarwal	VLS Finance Ltd.	Managing Director
Shri K. K. Soni	VLS Finance Ltd. South Asian Enterprises Ltd.	Director-Finance & CFO Non-Executive Director
Shri Vikas Mehrotra	VLS Finance Ltd.	Non-Executive Director
Dr. S. Ramesh (ceased w.e.f. 08/11/2019)	VLS Finance Ltd. South Asian Enterprises Ltd.	Independent Director Independent Director
Dr. (Mrs.) Neeraj Arora	VLS Finance Ltd. South Asian Enterprises Ltd.	Non-Executive Director Non-Executive Director
Shri R Bandyopadhyay (ceased w.e.f. 29/04/2020)	VLS Finance Ltd. Titagarh Wagons Ltd.	Independent Director Independent Director
Shri D. K. Mehrotra	VLS Finance Ltd. Indostar Capital Finance Ltd.	Independent Director Independent Director
Dr. R. L. Bishnoi (appointed w.e.f. 25/11/2019)	VLS Finance Ltd. South Asian Enterprises Ltd Jammu and Kashmir Bank Ltd.	Independent Director Independent Director Independent Director

Key Board qualifications, expertise and attributes

The Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensuring that the Board is in compliance with the highest standards of corporate governance.

The table below summarizes the key qualifications, skills, and attributes which are taken into consideration while nominating candidates to serve on the Board.

Definitions of director qualifications	
Financial	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, and financial reporting processes, or experience in handling financial function at top level or in the field of Company's business.
Gender diversity	Representation of gender or other perspectives that expand the Board's understanding of the needs and viewpoints of our employees, government and other stakeholders.
Leadership	Leadership experience for an enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management.
Governance	Experience on a public company board to develop insights about maintaining board and management accountability, protecting stakeholder interests, and observing suitable governance practices.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean, the member does not possess the corresponding qualification or skill.

Name	Financial	Leadership	Governance
Shri Ajit Kumar	-	√	√
Shri M. P. Mehrotra	√	√	√
Shri S.K. Agarwal	√	√	√
Shri K. K. Soni	√	√	√
Shri Vikas Mehrotra	√	-	√

Name	Financial	Leadership	Governance
Dr. S. Ramesh (ceased w.e.f. 8/11/2019)	√	√	√
Dr. (Mrs.) Neeraj Arora	-	-	√
Shri R Bandyopadhyay (ceased w.e.f. 29/04/2020)	-	√	√
Shri D. K. Mehrotra	√	√	√
Dr. R. L. Bishnoi (appointed w.e.f. 25/11/2019)	√	√	√

2. Audit Committee

a) **Composition**

As on 01/04/2019 the Audit Committee consisted of Dr. S. Ramesh (Chairman) with Shri Ajit Kumar, Shri R. Bandyopadhyay, Shri D. K. Mehrotra, Shri M. P. Mehrotra and Shri S. K. Agarwal as members. During the year Dr. Ramesh ceased to be the member of this Committee due his demise and Shri Agarwal withdrew his nomination as member of the Committee. Shri Bandyopadhyay ceased to be the member of this Committee as he resigned as Director of the Company w.e.f. 29/04/2020. The Board had nominated Dr. R. L. Bishnoi as member of the Committee in its meeting held on 25/11/2019 and on 13/02/2020 he was elected as Chairman of the Committee. Majority of members are independent directors including Chairman of the Committee. All the members of Committee are financially literate in terms of relevant stipulation under Regulation 18 of the listing regulations and three members have extensive experience in areas of finance, taxation and other financial services. The Committee continues to comply with the constitution norms stipulated in Listing Regulations.

b) **Terms of reference**

The role, terms of reference, authority and powers of the Committee were in conformity with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with section 177 of the Companies Act, 2013. The Audit Committee inter-alia advises the management on areas where systems, processes, measures for controlling and monitoring revenue, internal audit and risk management can be improved. The Company Secretary is the Secretary of the Committee. The Statutory Auditors are regularly invited for meetings of the Committee. The Internal Auditors, the Director-Finance & CFO and other executives are also invited to Committee's meetings, whenever required. The minutes of Audit Committee meetings are regularly placed before the Board. The Board had accepted all the recommendations made by Audit Committee during the year under review.

c) **Meetings and attendance**

During the year ended on 31/03/2020, 4 (Four) meetings of Audit Committee were held on 17/5/2019, 02/08/2019, 25/11/2019 and 13/02/2020. The summary of attendance of members is as under:

Name	Shri Ajit Kumar	Shri M. P. Mehrotra	Dr. S. Ramesh	Shri S. K. Agarwal	Shri R. Bandyopadhyay	Shri D. K. Mehrotra	Dr. R. L. Bishnoi
Attendance in meetings	4	4	2	4	4	3	1

The dates on which Audit Committee meetings were held and the Committee Members present are as follows:

Sr. No.	Date of Audit Committee Meeting	Audit Committee Strength	No. of Directors present	Leave of absence was granted to:
1	17 th May, 2019	6	6	Nil
2	2 nd August, 2019	6	6	Nil
3	25 th November, 2019	5	4	Shri D. K. Mehrotra
4	13 th February, 2020	6	6	Nil

3. Nomination and Remuneration Committee

a) **Composition**

The Nomination and Remuneration Committee ('NRC') as on 01/04/2019 comprised Shri R. Bandyopadhyay-Chairman of the Committee with Shri Ajit Kumar, Shri D. K. Mehrotra, Dr. S. Ramesh-Independent Directors and Dr. (Mrs.) Neeraj Arora-Director as members. During the year Dr. Ramesh ceased to be the member of this Committee due his demise and Shri Bandyopadhyay ceased to be the member of this Committee as he resigned as Director of the Company w.e.f. 29/04/2020. The Board had nominated Dr. R. L. Bishnoi as member of the Committee in its meeting held on 31/08/2020. The Committee continues to comply with the constitution norms stipulated in Listing Regulations. The Company Secretary acts as Secretary of the Committee.

b) **Terms of reference**

The Committee formulates the remuneration package for directors including key managerial personnel subject to approval of the Board and performs other roles detailed out in the listing regulations or as assigned by the Board from time to time. During the year under review two meetings of NRC were held on 17/5/2019 and 25/11/2019. The performance evaluation criteria for independent directors is based on participation, contribution, effective utilization of expertise & skill, relationship with stakeholders, maintenance of confidentiality, independent judgment, willingness to contribute time etc. The Committee has complied with composition and requirements of applicable regulations.

c) **Meetings and attendance**

The summary of attendance of members is as under:

Name	Shri Ajit Kumar	Dr. S. Ramesh	Shri R. Bandyopadhyay	Shri D. K. Mehrotra	Dr. (Mrs.) Neeraj Arora
Attendance in meetings.	2	1	2	1	1

The dates on which NRC meetings were held and the Committee Members present are as follows:

Sr. No.	Date of NRC Meeting	NRC Strength	No. of Directors present	Leave of absence was granted to:
1	17 th May, 2019	5	5	None
2	25 th November, 2019	4	2	a. Dr. (Mrs.) Neeraj Arora b. Shri D. K. Mehrotra

4. Stakeholders Relationship Committee

a) **Composition and terms of reference**

The Committee as on 01/04/2019 consisted of Shri Ajit Kumar – Independent Director as Chairman, Shri S. K. Agarwal and Shri K. K. Soni as its members. Shri H. Consul- Company Secretary is the Compliance Officer and Secretary of the Committee. The Committee is vested with the requisite powers and authority to specifically look into the redressal of the shareholders and investor's grievances apart from powers of issuing duplicate shares and other related matters. The processing of request for dematerialisation/ transfer/ transmission/ issue of duplicate certificates and matters related thereto is processed by M/s. RCMC Share Registry Pvt. Ltd., the Registrar & Transfer Agents within the time prescribed. The Committee continues to comply with the constitution norms stipulated in Listing Regulations.

With the notification dated 30/11/2018, SEBI has amended Regulation 40 of the Listing Regulations prohibiting transfer of shares held in physical form after 31/03/2019. Accordingly, only the shares held in dematerialized form can be transferred after 31/03/2019. The aforesaid prohibition however is not applicable in case of transmission, transposition of shares held in physical form and also for transfer deeds once lodged prior to 01/04/2019 and returned due to deficiency in documents.

As a step towards providing better services to its shareholders, individual members regularly approve the requests for dematerialization of shares received during the intervening period between two committee meetings in exercise of authority delegated by committee. Thus, the time gap between the demat approvals on an average is less than 15 days. The summary of demat requests approved by members is regularly placed before Committee. The minutes of the Committee meetings are regularly placed before the Board.

b) Meetings and attendance

During the year under review, 8 (Eight) meetings of Stakeholders Relationship Committee ('SRC') were held on 25/04/2019, 31/05/2019, 09/07/2019, 17/08/2019, 05/09/2019, 02/11/2019, 31/12/2019 and 13/03/2020.

The summary of meetings attended by members of Committee is as under.

Name	Shri Ajit Kumar	Shri S. K. Agarwal	Shri K. K. Soni
Attendance in meetings	8	8	8

The dates on which SRC meetings were held and the Committee Members present are as follows:

Sr. No.	Date of SRC Meeting	SRC Strength	No. of Directors present	Leave of absence was granted to:
1	25/04/2019	3	3	None
2	31/05/2019	3	3	None
3	09/07/2019	3	3	None
4	17/08/2019	3	3	None
5	05/09/2019	3	3	None
6	02/11/2019	3	3	None
7	31/12/2019	3	3	None
8	13/03/2020	3	3	None

c) Shareholders Complaints

The Company had not received any complaints during the financial year ended 31st March, 2020. All the complaints whether received through SEBI, stock exchanges or individual members during the year were redressed to the satisfaction of investors and none remained outstanding at the end of the year under report. The nature wise summary of complaints received and redressed during the year is as under:

Nature of Complaints**	Received	Redressed
Non-receipt of Dividend	0	0
Non-receipt of Shares after transfer/Rejection through RTA.	0	0
Non-receipt of Annual Report	0	0
Non-receipt of Bonus Shares	0	0
Non-receipt of Name change sticker	0	0
Non-receipt of share certificate after Rejection of Demat request	0	0
Others [SCORES (Non-receipt of Dividend), exchanges etc.]	0	0
Total	0	0

** Complaint received from multiple sources e.g. from SEBI, Stock Exchange etc. has been treated as one complaint but a complaint, if sent again by SEBI/ stock exchanges has been treated as a fresh complaint.

General correspondence e.g. change of address, enquiry on dividend for the year, ISIN of the Company etc. have been excluded from above.

5. CSR Committee
a) Composition and terms of reference

As on 01/04/2019 the Committee consisted of Shri Ajit Kumar - Independent Director as Chairman, Shri R. Bandyopadhyay- Independent Director, Shri M.P. Mehrotra, Executive Vice-Chairman and Shri S. K. Agarwal - Managing Director as members. Shri Bandyopadhyay ceased to be the member of this Committee as he resigned as Director of the Company w.e.f. 29/04/2020. The terms of reference of CSR Committee are in compliance with the applicable regulations. During the year 2 (two) meetings of the Committee were held on 17/05/2019 and 13/02/2020. The Committee continues to comply with the constitution norms stipulated under applicable laws.

The summary of meetings attended by members of Committee is as under:

Name	Shri M. P. Mehrotra	Shri Ajit Kumar	Shri S. K. Agarwal	Shri R. Bandyopadhyay
Attendance in meetings	2	2	2	2

The dates on which CSR Committee meetings were held and the Committee Members present are as follows:

Sr. No.	Date of CSR Committee Meeting	CSR Strength	No. of Directors present	Leave of absence was granted to:
1	17 th May, 2019	4	4	None
2	13 th February, 2020	4	4	None

6. Operations Management Committee
a) Composition and terms of reference

As on 01/04/2019 the Committee consisted of Shri Ajit Kumar - Independent Director as Chairman, Shri M. P Mehrotra – Executive Vice-Chairman, Shri K.K. Soni – Director Finance & CFO and Shri S. K. Agarwal - Managing Director as members. The terms of reference of this Committee are approved by the Board. During the year 2 (two) meetings of the Committee were held on 23/09/2019 and 02/11/2019.

The summary of meeting attended by members of Committee is as under:

Name	Shri Ajit Kumar	Shri M. P. Mehrotra	Shri S. K. Agarwal	Shri K.K. Soni
Attendance in meetings	2	1	2	2

The dates on which Operations Management Committee meetings were held and the Committee Members present are as follows:

Date of Operations Management Committee Meeting	Operations Management Strength	No. of Directors present	Leave of absence was granted to:
23 rd September, 2020	4	3	Shri M. P. Mehrotra
02 nd November, 2019	4	4	None.

7. General Body Meetings
a) Details of the last three annual general meetings (AGM) and extraordinary general meeting (EGM).

Financial year ended	Date	Time	Venue
March 31, 2019 (AGM)	September 12, 2019	3.30 p.m.	Sri Sathya Sai International Centre Auditorium, Institutional Area, Lodhi Road, Pragati Vihar, New Delhi-110003.
March 31, 2018 (AGM)	September 20, 2018	3.30 p.m.	Sri Sathya Sai International Centre Auditorium, Institutional Area, Lodhi Road, Pragati Vihar, New Delhi-110003.
March 31, 2017 (AGM)	September 25, 2017	3.30 p.m.	Sri Sathya Sai International Centre Auditorium, Institutional Area, Lodhi Road, Pragati Vihar, New Delhi-110003.

b) Special resolution passed in the previous 3 AGMs

- In the AGM held on 25/09/2017, appointment of Shri M. P. Mehrotra as Executive Vice- Chairman was approved by special resolution.
- In the AGM held on 20/09/2018, continuation of Non-Executive Directors after 31/03/2019 till their remaining tenure having attained 75 years of age or more for Shri Ajit Kumar and Dr. S Ramesh under SEBI (LODR) Regulations, 2015 was approved by special resolutions.
- In the AGM held on 12/09/2019, re-appointment of Shri Ajit Kumar (DIN: 00106597) and Dr. S Ramesh (DIN: 00126120) under Companies Act, 2013 and SEBI (LODR) Regulations, 2015 for the 2nd term of 5 years was approved by special resolutions.

a) Postal ballot

During the year under review, no item was approved through postal ballot:

8. Disclosures
a) Related party transactions

There were no transactions with promoters, directors and related persons that were materially significant, having conflict with the interest of Company at large, during the financial year under review. However, necessary disclosure has been made in audited financial accounts for the year under review under the head 'Notes forming part of financial statements'.

b) Statutory compliance, penalties and strictures

The Company has complied with all applicable requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital market during the year under review. The details of penalties/strictures on the Company in last three years are as under:

- None.

c) Legal Proceedings

There are certain pending cases relating to disputes between investors over title to equity shares of the Company, in which the Company has been made a party. However, these cases are not material in nature.

d) Whistle Blower Policy/Vigil Mechanism

The Company has adopted the whistle blower policy and no personnel have been denied access to the audit committee.

e) Certificate on disqualification of Directors

The requisite certificate by Company Secretary in practice that none of the Directors were disqualified to be appointed as directors during the year is annexed to this Report.

f) Web link for different policies of the Company.

The Web Link for the different policies of the Company including policy for determining 'material' subsidiaries and policy on dealing with related party transactions is <http://www.vlsfinance.com/policy.htm>

g) Compliance of Non-mandatory requirements
i) Operations Management Committee

The Board delegated some of the powers to this committee including opening of various bank / demat accounts, borrowing money subject to the upper limit approved by the members and such other assignments as may be given by the Board from time to time. During the year 2 (two) meetings of the Committee were held on 23/09/2019 and 02/11/2019.

ii) The Company does not maintain separate office for the Non-Executive Chairman. However, he may claim reimbursement of expenses incurred for performance of duties as chairman. No expenses on this account have been claimed during the year under review.

iii) Presently, the positions of Chairman and CEO/ Managing Director are held by separate persons.

iv) There was no qualification in the auditor's report on the annual accounts of the Company for the year under review.

v) The report of internal auditor is placed before the audit committee and the internal auditor is regularly invited to meeting of audit committee.

9. Communication to Shareholders

The Company does not send newsletter to shareholders on quarterly or half yearly basis. The Company publishes un-audited quarterly results and annual audited results in prescribed format, in two newspapers viz. 'The Financial Express' and 'Jansatta' regularly. The said results and other quarterly compliances under various regulations of the listing regulations alongwith reconciliation of share capital are uploaded on NEAPS a platform provided by NSE, <https://listing.bseindia.com> a platform provided by BSE Ltd. as well as emailed to listing@cse-india.com the official email ID of The Calcutta Stock Exchange Ltd., Kolkata and The said results are also made available on the Company's website <https://www.vlsfinance.com> in terms of regulation 46 of the listing regulations. Further, disclosures pursuant to the listing regulations are promptly communicated to the concerned stock exchanges. The documents filed by the Company with Registrar of Companies can be inspected at MCA's website namely www.mca.gov.in, the Company Identification Number (CIN) of Company is **L65910DL1986PLC023129**.

The email of the Company is vls@vlsfinance.com.

- a) The official news releases and presentations made to analysts/ institutional investors shall also be posted on the website as and when made. No presentation was, however, made by company to analysts etc. during the year under review.
- b) The 'Management Discussion and Analysis' forms part of annual report for the year under review. The Company, however, assumes no responsibility in respect of forward looking statements, which may be amended or modified in future on the basis of subsequent developments or events.
- c) The Company also has dedicated an e-mail ID exclusively for redressal of investor complaints in compliance of regulation 46 of the listing regulations namely hconsul@vlsfinance.com which is displayed on the Company's website www.vlsfinance.com under heading 'contact us'. The queries may also be addressed at the registered office of the Company i.e. 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi-110065.

10. Shareholders Information
a) Annual General Meeting

-	Date and time	: Thursday, 10th December, 2020 at 3.30 p.m.
-	Through	: Video Conferencing ("VC") / Other Audio Visual Modes ("OAVM") from registered office of the Company situated at 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi-110065.
-	Financial Year	: April 2019 to March 2020.
-	Book Closure	: From 04/12/2020 to 10/12/2020 (both days inclusive)
-	Buy back of shares	: No buy back of shares made /proposed during the period under review.
-	Dividend payment date	: On or before 08/01/2021.

b) Listing at Stock Exchanges

The equity shares of the Company are listed at following Stock Exchanges:

1. BSE Limited (BSE) (Scrip Code: 511333)
2. The National Stock Exchange of India Ltd. (NSE) (Scrip Code: VLSFINANCE)
3. The Calcutta Stock Exchange Ltd. (CSE) (Scrip Code: 032019), (Pending delisting)

The annual listing fee has been paid to BSE and NSE as mentioned above up to the year 2020-2021. The Company had filed the application for voluntary delisting of its shares from the CSE during the year 2018-19 itself and the same is under process, hence no listing fee has been paid to CSE for the year 2019-20 and 2020-21, as of now.

c) Stock Market data

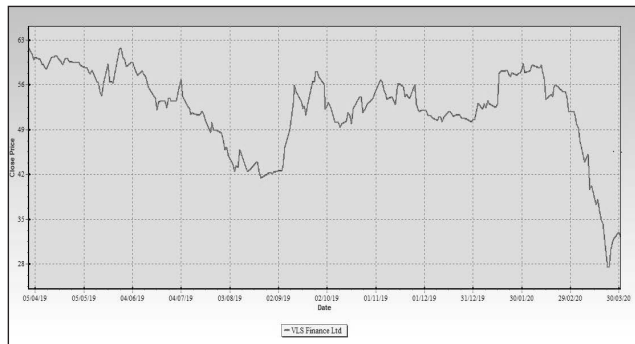
(Source:)

Monthly highs, lows and trading volume for the financial year 2019-2020:

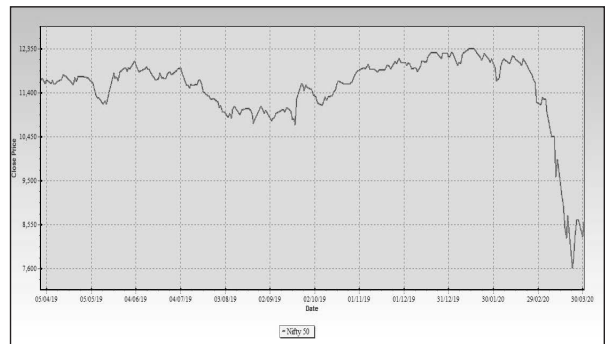
Months	NSE			BSE		
	High Rs.	Low Rs.	Volume Nos.	High Rs.	Low Rs.	Volume Nos.
Apr-19	64.20	57.25	486874	64.35	58.00	94769
May-19	67.30	52.60	466417	64.80	53.20	105421
Jun-19	61.00	49.00	369141	60.20	49.65	82366
Jul-19	57.95	45.25	290210	59.45	44.30	132533
Aug-19	46.90	40.10	313940	46.90	40.10	263389
Sep-19	59.60	41.00	554093	64.60	41.00	134613
Oct-19	59.00	48.70	292513	57.25	46.00	135168
Nov-19	60.00	50.50	519609	59.70	50.55	150548
Dec-19	53.70	49.10	253489	53.70	49.55	175450
Jan-20	63.45	49.85	100124	63.90	50.15	256822
Feb-20	62.45	51.30	500105	62.70	51.20	188382
Mar-20	55.30	25.20	408032	55.25	26.50	141859
Total			5455664			1861320

Graphical representation of Shares Price in NSE and BSE vis-à-vis Index Movement:

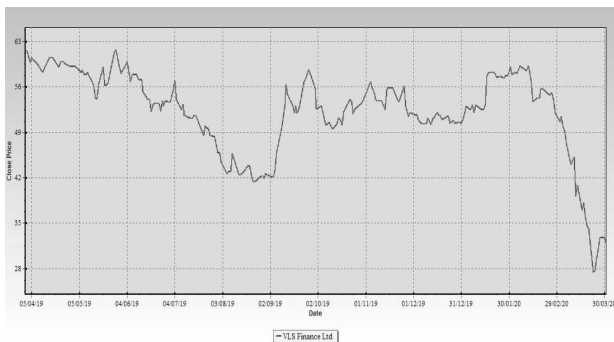
NSE Graph of VLS Finance Ltd.



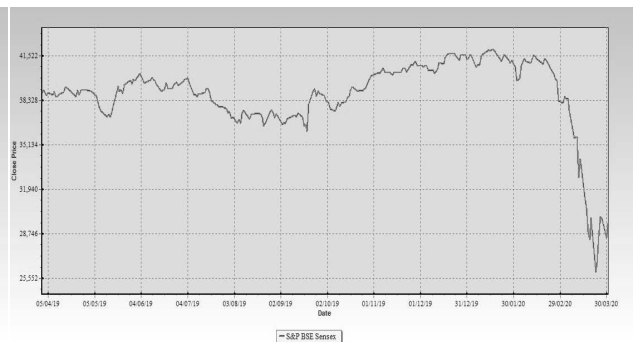
Nifty:



BSE Graph of VLS Finance Ltd.



Sensex



d) Registrar and Transfer Agents and Share Transfer System

The Company has retained M/s RCMC Share Registry Pvt. Ltd., as its Registrar & Transfer Agents for further period of one year w.e.f. 01/04/2020 for entire shareholder services viz. processing request for transfer, other shareholder services, dematerialisation of holding, providing connectivity services with depositories in compliance of SEBI's circular No.D&CC/F/TC/CIR-15/2002 dated 27/12/2002.

e) Investors Correspondence

For any query relating to transfer/transmission of shares, dematerialisation, change of address etc. please write to:

RCMC Share Registry Pvt. Ltd.,
B-25/1, First Floor, Okhla Industrial Area,
Phase-II, New Delhi-110 020
Phone Nos. 011 – 2638 7320-21-23
Fax 011-2638 7322
Email- investor.services@rcmcdelhi.com

For any further assistance in said matters, queries may be addressed to the Company Secretary at the registered office of the Company. Information update in respect of shares held electronically can be done by submitting respective depository participant.

f) Distribution of shareholding as on March 31, 2020

(Amount in Lacs)

Slab of share holdings	No. of share holders	%age	No. of shares	Nominal value of shares held	% age
1-500	13906	60.48	2644870	264.49	6.84
501-1000	6737	29.30	4438290	443.83	11.48
1001-2000	1311	5.70	1883129	188.31	4.87
2001-3000	358	1.56	919789	91.98	2.38
3001-4000	169	0.74	617202	61.72	1.60
4001-5000	113	0.49	534239	53.42	1.38
5001-10000	219	0.95	1581157	158.12	4.09
10001 and above	178	0.77	26043341	2604.33	67.36
Total	22991	100.00	38662017	3866.20	100.00

According to categories of shareholders as on March 31, 2020

Sl. No.	Categories	No. of Shares	Amount in Lacs	Percentage of Shareholding
1	Promoters, Directors and Relatives	17650491	1765.05	45.65
2	Financial Institution and Banks	13195	1.32	0.03
3	Mutual Fund	100	0.01	0.00
4	FIs	300	0.03	0.00
5	Corporate Bodies	957627	95.76	2.48
6	Clearing Members	41885	4.19	0.11
7	Indian Public	18886655	1888.67	48.85
8	NRI/OCBs/FN	278430	27.84	0.72
9	NBFC	0	0.00	0.00
10	LLP	1238	0.12	0.00
11	FPI	832096	83.21	2.15
	Grand Total	38662017	3866.20	100.00

g) Dematerialisation of Shares and liquidity

92.58% of the total share capital of Company was held in dematerialized form as on 31/03/2020 the shares of Company are actively traded in BSE Ltd. and The National Stock Exchange of India Ltd. The shares of the Company are traded only in demat segment w.e.f. 28th August 2000.

h) There were no ADRs/ GDRs/ Warrants or other convertible instruments outstanding as on 31/03/2020.
i) Reconciliation of Capital

The requisite certificate by a practicing company secretary was duly submitted to the stock exchanges, where the securities of the Company are listed, at the end of each quarter, within prescribed time.

j) Financial Calendar (tentative)

Quarter ending	June 30, 2020	Last week of August, 2020
Quarter ending	September 30, 2020	1st week of November, 2020
Quarter ending	December 31, 2020	Mid of February, 2021
Year ending	March 31, 2021 #	End of May, 2021
Annual General Meeting for the year ended March 31, 2020		10th December, 2020

For the quarter ending 31/03/2021 un-audited results may not be published and only audited results will be published, unless decided otherwise.

k) Subsidiary Companies

The Company has a material non-listed Indian subsidiary namely VLS Securities Ltd. in terms of Regulation 24 of the listing regulations, as amended as per financial results of the period under review and one independent director on Board of the Company is holding the position of an Independent Director in the said subsidiary.

l) Plant Location

Not applicable since the Company is not into manufacturing or similar activity.

m) Credit Rating

No credit ratings of any kind / class were obtained by the Company during the year under review.

n) Commodity price risks and hedging activities

Your Company does not take positions in trading /investing in commodities segment.

o) Utilization of funds raised

No funds were raised through preferential allotment or qualified institutions placement by the Company during the year under review.

Auditors' Certificate on Corporate Governance

As required by Regulation 34(3) of the listing regulations, the certificate by a practicing Company Secretary is annexed hereto.

CERTIFICATE

To,

The Members of VLS Finance Ltd.

I have examined the compliance of applicable conditions of Corporate Governance by VLS Finance Ltd ("the Company"), for the year ended on March 31, 2020, and particularly in respect of:

- Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the period from April 01, 2019 to March 31, 2020.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring 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.

In my opinion and to the best of my information and according to my examination of the relevant records and the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has in general complied with the conditions of Corporate Governance including regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations, during the year ended March 31, 2020.

I 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.

Ashutosh Aggarwal
A Aggarwal and Associates
Company Secretaries
ACS 9972 CP No. 7467

Place: New Delhi
Date: July 23, 2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of VLS Finance Limited

I have examined the relevant records of VLS Finance Limited (CIN:L65910DL1986PLC023129) having registered office at 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi-110065 (hereinafter referred to as 'the Company') including the disclosures received from the Directors by the Company, the relevant details available on portal of Ministry of Corporate Affairs, BSE Ltd. and The National Stock Exchange of India Ltd., other information in public domain about persons concerned for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and certify that none of the Directors of the Company as on 31st March, 2020 are disqualified from being appointed or continuing as Director by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other statutory authority.

Ashutosh Aggarwal
A Aggarwal and Associates
Company Secretaries
ACS 9972 CP No. 7467

Place: New Delhi
Date: July 23, 2020

SECRETARIAL AUDIT REPORT
For the financial year ended 31st March, 2020
Form MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
VLS Finance Limited,
2nd Floor, 13, Sant Nagar,
East of Kailash,
New Delhi-110065.

I have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **VLS Finance Limited** (hereinafter called 'the Company'). Secretarial audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by it and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2020** complied with the statutory provisions listed hereunder and also that the Company had proper Board processes and compliance-mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable during the year under review.)
- (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 Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable during the year under review.)

- (d) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations 2014; (Not applicable during the year under review.)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable during the year under review.)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable during the year under review.)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the financial year under review.)
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (j) The Securities and Exchange Board of India (Stock Brokers) Regulations, 1992.
- (k) Securities and Exchange Board of India (Depository and Participants) Regulations, 2018;
- (vi) The Company had properly complied the other laws viz. Income tax Act 1961, Prevention of Money Laundering Act, 2002 and rules made thereunder, other applicable tax laws, labour laws, local revenues laws, Insurance Act, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Air (Prevention and Control of Pollution) Act, 1981 and rules made thereunder, Water (Prevention and Control of Pollution) Act, 1974 and rules made thereunder, Environment (Protection) Act, 1986, local revenue laws, etc. as applicable to it.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India,
- ii) The Listing Agreement entered into by the Company with the BSE Limited, National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015,

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. The Company has been filing requisite forms and returns with Registrar of Companies in time. However, additional filing fee was paid in respect of two forms for exceeding stipulated period of filing. Further no action was initiated against the listed entity/ its promoters/ directors/subsidiaries either by SEBI or by Stock Exchanges *(including under the Standard Operating Procedures issued*

by SEBI through various circulars) or Registrar of Companies under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except when meeting was called at shorter notice and duly recorded so. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions were passed unanimously and were properly recorded as part of the minutes.

I further report that the Company had approached the Calcutta Stock Exchange Limited for delisting of its scrip from the Exchange pursuant to Board's decision dated 25/10/2018. The delisting of scrip was not confirmed by the said Exchange during the audit period and is in process till date.

Further, on the basis of my examination of records and explanations given to me, I am of the opinion that the expenditure made under CSR so far is accordance with the applicable regulations and CSR policy of the Company.

I further report that based on review of compliance mechanism established by the Company and on the basis of compliance certificate issued inter-alia by Company Secretary which was taken on record by Board of Directors, I am of the opinion that there are adequate systems and processes in the Company are commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company has not taken any action having major bearing on affairs of the Company pursuant to above referred laws.

(Pooja Nichani)
Company Secretary
ACS No.: 20092
C P No.: 11351
Place: New Delhi
Date: 21st July, 2020
UDIN: A020092B000483951

To,
The Members,
VLS Finance Limited,
2nd Floor, 13, Sant Nagar,
East of Kailash,
New Delhi-110065.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

(Pooja Nichani)
Company Secretary
ACS No.: 20092
C P No.: 11351
Place: New Delhi
Date: 21st July, 2020
UDIN: A020092B000483951

This report is to be read with my letter of even date which is annexed as 'Annexure 1' and forms an integral part of this report.

Information as per section 134(3)(m) of the Companies Act, 2013 read with rule 8 of Companies (Accounts) Rules, 2014 and forming part of directors' report for the year ended 31st March, 2020.

Conservation of Energy

- a) Energy conservation measure taken : Nil
 b) Proposals under implementation for reduction in consumption of energy : Nil

Technology Absorption

- a) Research and development : Nil
 b) Technology absorption, adoption and innovation : Nil

Foreign Exchange Earnings and Outgo

- a) Foreign Exchange Earned : Nil
 b) Foreign Exchange Used : Nil

For and on behalf of the Board of Directors

Place: New Delhi
 Date : 31/08/2020

S.K. Agarwal K. K. Soni
 (Managing Director) Director Finance & CFO
 DIN: 00106763 DIN: 00106037

Annexure G to the Board's Report

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

1 The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-2020:

Sl. No	Name of the Directors	Designation	% increase of remuneration in 2020 as compared to 2019	Ratio to the median remuneration
1	Shri Ajit Kumar	Non-Executive independent Director (Chairman)	-11.90	0.65:1
2	Dr. S. Ramesh#	Non-Executive independent Director	-39.13	0.25:1
3	Shri R. Bandyopadhyay*	Non-Executive independent Director	-6.06	0.55:1
4	Shri D. K. Mehrotra	Non-Executive independent Director	-32.26	0.37:1
5	Shri Vikas Mehrotra	Non-Executive non independent Director	0.00	0.28:1
6	Shri M. P. Mehrotra	Executive Vice- Chairman	0.00	10.61:1
7	Dr. (Mrs.) Neeraj Arora	Non-Executive non independent Director	-37.50	0.18:1
8	Mr. S. K. Agarwal	Managing Director	-1.00	6.20 : 1
9	Mr. K. K. Soni	Director- Finance & CFO	-0.85	5.95 : 1
10	Dr. R.L. Bishnoi \$	Non-Executive independent Director	Not Comparable	0.19:1

#ceased w.e.f. 08/11/2019

*resigned w.e.f. 29/04/2020 \$ Appointed as Director w.e.f.25/11/2019

The Non-Executive Directors of the Company are entitled for sitting fees and reimbursement of expenses for attending meetings and the same are within the prescribed limits as per statutory provisions. The detail of sitting fees of Non Executive Directors is provided in the Corporate Governance Report which is part of this Director's Report. The sitting fees of the Non-Executive Directors attending Meeting of the Board and Audit Committee was revised upwards on 14/11/2017 effective from the next meeting onwards. Besides, the overall increase/decrease in the sitting fee paid compared to previous year is also due to number of meetings attended by them.

2 The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year 2019-20:

Sl. No	Name of the Company Secretary	Designation	% increase of remuneration in 2020 as compared to 2019
1	Mr. H. Consul	Company Secretary	0.00

Please refer clause -1 above for disclosure in respect of Directors.

3. The percentage increase in the median remuneration of employees in the financial year 2019-2020.

There was percentage decrease in the median remuneration of employees in the financial year of around 4.91%

4. The number of permanent employees on the rolls of company:

31 (Thirty one)

5 Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

The average increase in salaries of employees other than managerial personnel in 2019-20 was about 0%.

The average increase in remuneration of Executive Directors in 2019-20 was about 0%.

There was no increase in remuneration of Executive Vice- Chairman.

6. Affirmation that the remuneration is as per the remuneration policy of the company:

The remuneration is as per the Remuneration policy of the Company.

7. Top 10 employees in items of remuneration drawn in the financial year 2019-20:

S. No.	Name/ Designation of employee	Remuneration received (Rs in Lacs)	Nature of employment, whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	Age of such employee (Years)	Last employment held by such employee before joining the company	Percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub rule (2)	Whether any such employee is a relative of any director or manager of the company and if so name of such director or manager
1	M. P. Mehrotra Executive Vice- Chairman	60.00	Contractual	B.Com., FCA, LL.B. 57 years	01-08-2017	80	Self employed	---	---
2	S. K. Agarwal Managing Director	35.03	Contractual	B.Com.(Hons.), CAIIB 48 years	31/7/1995	69	VLS View Asset Management Ltd.	---	---
3	K.K. Soni Director Finance & CFO	33.63	Contractual	B.Com., FCA, FCS 44 years	28/7/2006	67	VLS Capital Limited	---	---
4	H. Consul Company Secretary	21.99	Permanent	B.Com. (Hons.), ACS, LL.B. 34 Years	02/02/1998	56	Prakash Ispat Ltd.	---	---
5	L. Thirumoorthy Vice- President (Accounts)	15.50	Permanent	B.Com. 40 years	10/07/2002	60	Self employed	---	---
6	Dinesh Negi Group Head (Accounts)	8.66	Permanent	B.Com. 32 years	25/09/1995	55	Universal Subscription Agency Pvt. Ltd.	---	---
6	Ramesh Chandra Pandey Group Head (Secretarial)	8.31	Permanent	B. Sc., LL.B. 32 years	01/04/1994	56	Self employed	---	---
7	Nand Gopal Garg Group Member	8.17	Permanent	B.Sc.(Bio.), C. A. (Inter) 1st Group 30 years	01/04/2016	56	VLS Capital Limited	---	---
8	Kartik Chugh Group Member- (Research)	7.93	Permanent	MBA 12 years	15/01/2014	36	Escorts Ltd.	---	---
10	Manoj Jain-Group Head-Broking Division	7.90	Permanent	B.Com. 29 years	05-02-2008	51	VLS Securities Ltd.	---	---

There was no employee during the year drawing remuneration in terms of Rule 5(2)(iii) of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

For and on behalf of the Board of Directors

Place: New Delhi
Date : 31-08-2020

S.K. Agarwal
(Managing Director)
DIN: 00106763

K. K. Soni
Director Finance & CFO
DIN: 00106037

INDEPENDENT AUDITOR'S REPORT
**To The Members of VLS Finance Limited
Report on the Standalone Financial Statements**
Opinion

We have audited the accompanying Standalone financial statements of **VLS Finance Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Sl. No.	Key Audit Matter	Auditor's Response
1	<p>Transition to IND AS accounting framework (as described in note no 37 of the IND As financial statements)</p> <p>In accordance with the roadmap for implementation of INDAS for non-banking financial companies, as announced by the Ministry of Corporate Affairs, the company has adopted Ind AS from April 1, 2019 with an effective date of April 1, 2018 for such transition. For period up to and including year ended March 31, 2019, the company has prepared and presented its financial statement in accordance with the erstwhile generally accepted accounting principles in India (Indian GAAP). In order to give effect of the transition to Ind AS these financial statement for the year ended March 31, 2020, together with the comparative financial information for the previous year ended March 31, 2019 and the transition date balance sheet as at April 1, 2018 have been prepared under Ind AS.</p> <p>The Transition has involved significant change in the company's policies and process relating to the financial reporting including generation of reliable and supportable information. Further the management has exercised significant judgment for giving an appropriate effect of the first time adoption principle of Ind AS 101, as at transition date and to determine the impact of the new accounting framework on certain accounting and disclosure requirement.</p> <p>In view of the complexity involved, Ind AS transition and the preparation of the financial statement subsequent to the transition date have been areas of key focus in our audit.</p>	<p>Principal Audit Procedures</p> <ul style="list-style-type: none"> • Read the Ind AS impact assessment performed by the management to identify areas to be impacted on account of Ind AS Transition. • Understood the financial statement closure process and the additional control established by the company for transition to Ind AS. • Evaluate the exemption and exception allowed by Ind AS and applied by the Management in applying the first-time adoption principles of Ind AS 101 in respect of fair valuation of assets and liabilities existing as at the transition date. • Read the changes made to the accounting policies in light of the requirement of the new framework. • Assessed the judgment exercised by the management in applying the first time adoption principles of Ind AS 101 especially in respect of fair valuation of assets and liabilities. <p>Assessed disclosure included in the Ind AS financial statement in accordance with the requirement of Ind AS 101, with respect to previous period presented.</p>

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's 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 during the course of our 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone 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 audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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 do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

In preparing the 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.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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 Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, Statement of Change in Equity and the Statement of Cash Flow 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 Indian 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.
- f) In our opinion, proper books of accounts and records as specified in Rule 15 of the Securities Contract (Regulation) Rules, 1957 have been kept in so far as it appears from our examination of such books;
- g) The company as Stock Broker has complied with the requirements of the stock exchange so far as they relate to maintenance of accounts and was regular in submitting the required accounting information to the Stock Exchange;
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- j) With respect to the other matters to be included in the Auditor's 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 informed & explained to us that pending litigations has no adverse effect on its financial position in its standalone financial statements as at 31st March, 2020.
 - ii. The Company has made provision as at 31st March, 2020, 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 requirement to transfer any amount to the Investor Education and Protection Fund, as the Company has no due outstanding during the year ended 31st March, 2020.

For **M.L. Puri & Co.**
Chartered Accountants
(Firm's Registration Number: 002312N)

M.L. Puri
Partner
M. No. 009198

Place: New Delhi
Date: July 16, 2020
UDIN:20009198AAAABM9839

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended 31 March 2020, we report that:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The fixed assets, except assets on lease which are in the possession of the lessees, have been physically verified by the Management according to the program of periodical verification in phased manner which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. The discrepancies noticed on such physical verification were not material.
(c) As per the records and information and explanations given to us, title deeds of immovable properties are held in the name of the Company.
- ii. The company generally deals in shares, securities and Units of Mutual funds. Primarily these are held in electronic form so inventory of the Company has been electronically verified by the management at reasonable intervals and the procedures of verification of inventory followed by the Management are reasonable in relation to the size of the Company and nature of its business. There were no discrepancies noticed on such verification of inventory as compared to book records.
- iii. The Company has granted interest free unsecured loan to one subsidiary company covered under section 189 of companies Act, 2013. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, 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.

- a) As per the information given to us, the aforesaid loan given to the subsidiary company is payable on demand.
- b) In respect of the aforesaid loan, there is no overdue amount at the year end.
- iv. According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of loans, investments, guarantees and security the Company has complied with the provisions of the Section 185 and 186 of the Companies Act, 2013.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions under the Act. Accordingly, paragraph v of the Order is not applicable to the Company.
- vi. Clause 3 (vi) of CARO is not applicable as the Company is not engaged in production of such goods and providing such services as prescribed by Central Government under sub section (1) of section 148 of the Companies Act, 2013 for maintenance of cost records.
- vii. a) The Company is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income-tax, wealth tax, service tax and any other statutory dues with the appropriate authorities.
b) There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth tax, service tax and any other material statutory dues in arrears as at 31.03.2020

- for a period of more than six months from the date they became payable.
- c) According to the records and information and explanations given to us, there is no outstanding of any disputed statutory dues as on 31.03.2020.
- viii. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans and/or borrowings to financial institutions and banks. No debentures are outstanding as on 31.03.2020.
- ix. During the year, no monies have been raised by public offer of shares. Money raised on term loans has been applied for the purposes for which loans were raised.
- x. Based on the audit procedure performed and on the basis of information and explanations provided by the management, no fraud by the Company and on the Company by its officers or employees has been noticed or reported during the course of the audit.
- xi. On the basis of records and information and explanations made available, managerial remuneration which has been paid or provided is in accordance with the requisite approvals mandated under Section 197 read with Schedule V of the Act.
- xii. In our opinion and according to information & explanation given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
- xiii. As per the information and explanations and records made available by the management of the Company and audit procedure performed, for the related

parties transactions entered during the year, the Company has complied with the provisions of Section 177 and 188 of the Act, where applicable. As explained, details of related parties transactions are disclosed as per the applicable Accounting Standards.

- xiv. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not made any preferential allotment or private placement of shares during the financial year ended on 31st March, 2020, hence clause (xiv) is not applicable.
- xv. On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with him.
- xvi. The Company is not required to be registered under 45-IA of the Reserve Bank of India Act, 1934.

For **M.L. Puri & Co.**
Chartered Accountants
(Firm's Registration Number: 002312N)

M.L. Puri
Partner
M. No. 009198

Place: New Delhi
Date: July 16, 2020
UDIN:20009198AAAABM9839

**ANNEXURE - B to the Independent Auditors' Report
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **VLS Finance Limited** ("the Company") as of 31 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 board of directors of the company 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 Companies Act, 2013.

Auditors' 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 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 standalone 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 of the Company.

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
- (3) 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, to the best of our information and according to the explanation given to us, 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.

For **M.L. Puri & Co.**
Chartered Accountants
(Firm's Registration Number: 002312N)

M.L. Puri
Partner
M. No. 009198

Place: New Delhi
Date: July 16, 2020
UDIN: 20009198AAAABM9839

Standalone Balance sheet as at 31st March, 2020 (As per Indian Accounting Standard)
(Rupees in Lakh)

Particulars	Note No.	31 st March 2020	31 st March 2019	01 st April 2018
ASSETS				
1 Financial Assets				
(a) Cash and cash equivalents	4	1,882.25	691.55	792.98
(b) Bank Balance other than (a) above	5	190.21	162.35	107.33
(c) Receivables	6			
(I) Trade Receivables		293.89	113.74	91.61
(II) Other Receivables		374.99	269.55	246.89
(d) Loans	7	809.97	820.50	820.51
(e) Investments	8	97,207.36	87,100.16	84,307.88
(f) Other Financial assets (to be specified)	9	6,100.46	585.30	403.99
Total (1)		1,06,859.13	89,743.15	86,771.19
2 Non-financial Assets				
(a) Current tax assets (Net)	10	1,347.24	452.09	470.99
(b) Investment Property		70.94	70.94	70.94
(c) Property, Plant and Equipment	11	907.55	910.52	952.27
(d) Capital work-in-progress		725.44	403.53	214.92
(e) Other Intangible assets	11	0.74	0.81	1.25
(f) Other non-financial assets (to be specified)	12	801.69	120.42	30.87
Total (2)		3,853.60	1,958.31	1,741.24
Total Assets (1+2)		1,10,712.73	91,701.46	88,512.43
LIABILITIES AND EQUITY				
LIABILITIES				
1 Financial Liabilities				
(a) Payables	13			
(I) Trade Payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		205.59	202.78	161.87
(II) Other Payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		25.86	14.08	12.76
(b) Borrowings (Other than Debt Securities)	14	22.89	14.35	-
(c) Other financial liabilities (to be specified)	15	160.91	83.99	21.13
Total (1)		415.25	315.20	195.76
2 Non-financial Liabilities				
(a) Provisions	16	69.49	66.43	48.62
(b) Deferred tax liabilities (Net)	17	21,013.76	20,307.78	19,926.05
(c) Other non-financial liabilities (to be specified)	18	24.78	36.15	26.75
Total (2)		21,108.03	20,410.36	20,001.42
3 EQUITY				
(a) Equity Share capital	19	3878.42	3878.42	3878.42
(b) Other Equity	20	85,311.03	67,097.48	64,436.83
Total (3)		89,189.45	70,975.90	68,315.25
Total Liabilities and Equity (1+2+3)		1,10,712.73	91,701.46	88,512.43

Accompanying Notes are an integral part of the Financial Statements.

As per our report of even date attached

 For M.L. Puri & Co
 Chartered Accountants
 (Firm's Registration Number: 002312N)

 M.L. Puri
 Partner
 Membership No.009198

 July 16th, 2020
 New Delhi

For and behalf of the Board

 S.K. Agarwal
 Managing Director
 DIN: 00106763

 K.K. Soni
 Director-Finance & CFO
 DIN: 00106037

 M.P. Mehrotra
 Executive Vice Chairman
 DIN: 00016768

 H. Consul
 Company Secretary
 M.No: A-11183

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March 2020 (As per Indian Accounting Standard)
(Rupees in Lakh)

Particulars	Note No	Year Ended 31.03.2020	Year Ended 31.03.2019
I Revenue From Operations			
(i) Interest Income	21	546.20	462.30
(ii) Dividend Income	22	757.10	576.88
(iii) Net gain on fair value changes	23	1418.15	-
(iv) Trading in Shares/securities (Net)	24	(2,827.88)	306.66
(v) Other Operating Income	25	42.68	3.66
Total Income from operations (Total I)		(63.75)	1,349.50
II Other Income	26	9.24	5.54
Total Other Income (Total II)		9.24	5.54
III		(54.51)	1,355.04
IV EXPENSES			
(i) Employee benefits expense	27	348.45	348.70
(ii) Finance costs	28	6.56	0.95
(iii) Net loss on fair value changes	23	-	1315.00
(iv) Depreciation and amortization expense	11	115.60	59.14
(v) Other expenses	29	702.89	745.54
Total expenses (IV)		1,173.50	2,469.33
V Profit/(loss) before exceptional items and tax (III- IV)		(1,228.01)	(1,114.29)
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		(1,228.01)	(1,114.29)
VIII Tax expense:			
(1) Current tax		-	432.78
(2) Tax adjustment for earlier Year		9.20	(0.04)
(3) Deferred tax		(4,485.97)	(1,384.87)
Total Tax expenses (VIII)		(4,476.77)	(952.13)
IX Profit / (Loss) for the period (VII-VIII)		3,248.76	(162.17)
XI Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Gain/(Loss) arising on Defined Employee Benefits			
- Remeasurement of Defined Employee Benefits		4.86	3.69
Gain / (Loss) arising on fair valuation of Investments		20,624.31	5,051.82
(ii) Income tax relating to items that will not be reclassified to profit or loss		(5,191.95)	(1,766.60)
Total (A)		15,437.22	3,288.91
B (i) Items that will be reclassified to profit or loss		-	-
Total (B)		-	-
Total Other Comprehensive Income (A+B)		15,437.22	3,288.91
XII Total Comprehensive Income for the period (IX+XI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		18,685.98	3,126.75
XIII Earnings per equity share (Face value per share Rs. 10/-)	30		
(1) Basic (in Rupees)		8.40	(0.42)
(2) Diluted (in Rupees)		8.40	(0.42)

Accompanying Notes are an integral part of the Financial Statements.

As per our report of even date attached

 For M.L. Puri & Co
 Chartered Accountants
 (Firm's Registration Number: 002312N)

 M.L. Puri
 Partner
 Membership No.009198

 July 16th, 2020
 New Delhi

For and behalf of the Board

 S.K. Agarwal
 Managing Director
 DIN: 00106763

 K.K. Soni
 Director-Finance & CFO
 DIN:00106037

 M.P. Mehrotra
 Executive Vice Chairman
 DIN: 00016768

 H. Consul
 Company Secretary
 M.No: A-11183

Statement of Changes in Equity for the year ended 31 March 2020
A. Equity Share Capital
(Rupees in Lakh)

Particulars	Equity share capital	
	Number of shares (See Note below)	Amount (See Note below)
As at 1 April 2018	3,86,62,017	3,878.42
As at 31 March 2019	3,86,62,017	3,878.42
As at 31 March 2020	3,86,62,017	3,878.42

Note: Equity share capital amount includes Rs.12.22 lakh being the amount forfeited on 4,67,500 equity shares.

B. Other Equity
(Rupees in Lakh)

PARTICULARS	Reserves and surplus				Other Comprehensive Income		Total
	General Reserve	Securities Premium Account	Capital Redemption Reserve account	Retained Earning	FVTOCI reserve	Remesurement of Defined Benefits	
Balance as at April 01, 2018 as per IGAAP	2,968.84	9,627.48	113.30	9,449.23	-	-	22,158.85
Adjustment for effect of Transition to IndAS					42,271.56	6.42	42,277.98
Balance as at April 01, 2018 as per IndAS	2,968.84	9,627.48	113.30	9,449.23	42,271.56	6.42	64,436.83
Profit/(Loss) for the year	-	-	-	(162.17)	-	-	(162.17)
Transfer from FVTOCI to Retained Earnings	-	-	-	3,969.27	(3,969.27)	-	-
Other Comprehensive Income (net of tax)	-	-	-	-	3,285.22	3.69	3,288.91
Dividend Paid on equity shares	-	-	-	(386.62)	-	-	(386.62)
Dividend distribution tax Paid	-	-	-	(79.47)	-	-	(79.47)
Transfer to general reserve	-	-	-	-	-	-	-
Balance as at March 31, 2019	2,968.84	9,627.48	113.30	12,790.24	41,587.51	10.11	67,097.48
Profit/(Loss) for the year	-	-	-	3,248.76	-	-	3,248.76
Transfer from FVTOCI to Retained Earnings	-	-	-	17,985.76	(17,985.76)	-	-
IndAS 116 -Right to use assets	-	-	-	(6.34)	-	-	(6.34)
Other Comprehensive Income (net of tax)	-	-	-	-	15,432.36	4.86	15,437.22
Dividend Paid on equity shares	-	-	-	(386.62)	-	-	(386.62)
Dividend distribution tax Paid	-	-	-	(79.47)	-	-	(79.47)
Transfer to general reserve	-	-	-	-	-	-	-
Balance as at March 31, 2020	2,968.84	9,627.48	113.30	33,552.33	39,034.11	14.97	85,311.03

Note on Securities Premium account: Of the above amount of Rs.9627.48 lakh, an amount of Rs.474.34 lakh is relating to share premium received on forfeited shares.

Note on Capital Redemption Reserve account: Transfer from Surplus in the statement of Profit & Loss account towards 11,32,983 fully paid up Equity Shares of Rs.10/- each bought back on 11/02/2014 for cash.

As per our report of even date attached

For M.L. Puri & Co
Chartered Accountants
(Firm's Registration Number: 002312N)

M.L. Puri
Partner
Membership No.009198

July 16th, 2020
New Delhi

For and behalf of the Board

S.K. Agarwal
Managing Director
DIN: 00106763

K.K. Soni
Director-Finance & CFO
DIN:00106037

M.P. Mehrotra
Executive Vice Chairman
DIN: 00016768

H. Consul
Company Secretary
M.No: A-11183

Statement of Cash Flows for the year ended 31.03.2020 (Standalone)
(Rupees in Lakh)

Particulars	For the year ended 31-Mar-2020	For the year ended 31-Mar-2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	(1,228.01)	(1,114.29)
Adjustment for:		
Depreciation	115.60	59.14
Interest Income	(7.92)	(7.38)
Dividend Income	(757.10)	(576.88)
	<u>(649.42)</u>	<u>(525.12)</u>
Operating profit	<u>(1,877.43)</u>	<u>(1,639.41)</u>
Adjustment for working capital changes		
1) Increase / (decrease) in provision	3.06	17.81
2) Increase / (decrease) in borrowings	8.54	14.35
3) Increase / (decrease) in other financial liabilities	76.92	62.86
4) Increase / (decrease) in trade payables	2.81	40.91
5) Increase / (decrease) in Other payables	11.79	1.32
6) (Increase) / decrease in loans	10.52	0.01
7) Increase / (decrease) in other non- financial liabilities	(11.37)	9.40
8) (Increase) / decrease in other financial assets	(5,515.16)	(181.32)
9) (Increase) / decrease in other non financial asset	(681.28)	(89.54)
10) (Increase) / decrease in trade receivables	(180.15)	(22.13)
11) (Increase) / decrease in other receivables	(105.44)	(22.66)
12) Increase / (decrease) in current tax assets	(895.15)	18.90
Cash generated / (used) from operations	<u>(9,152.34)</u>	<u>(1,789.49)</u>
Direct taxes paid net	9.20	432.74
Net cash generated / (used) from operating activities (A)	<u>(9,161.54)</u>	<u>(2,222.23)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of investments	10,515.62	2,263.38
Purchase of Property, plant and equipment	(112.55)	(17.11)
Capital work in progress	(321.91)	(188.62)
Interest received on fixed deposits	7.92	7.38
Dividend Income	757.10	576.88
Net cash generated / (used) from investing activities (B)	<u>10,846.19</u>	<u>2,641.91</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issued of equity shares	-	-
Dividend paid (including Dividend distribution tax)	(466.09)	(466.09)
Proceeds of deposits received	-	-
Interest expense	-	-
Net cash generated / (used) from financing activities (c)	<u>(466.09)</u>	<u>(466.09)</u>
Net increase / (decrease) in cash and cash equivalents during the year (A +B +C)	<u>1,218.56</u>	<u>(46.42)</u>
Cash and cash equivalents as at beginning of the year	<u>853.90</u>	<u>900.31</u>
Cash and cash equivalents as at end of the year :	<u>2,072.46</u>	<u>853.90</u>
Cash in hand	2.47	5.82
Scheduled bank - In current account	11.24	15.73
Fixed Deposit with Banks	109.46	108.39
In Liquid Funds	1,868.54	670.00
Scheduled Bank - Unpaid Dividend Account	80.75	53.95
Total	<u>2,072.46</u>	<u>853.90</u>
Reconciliation of cash and cash equivalents as above with cash and bank balances (also refer note no. 4 and 5)		
Cash and cash equivalents as at end of the year as per above	13.71	21.55
Add:- Fixed deposit with banks	109.46	108.40
Add:- In Liquid Funds	1,868.54	670.00
Add:- Unpaid dividend account	80.75	53.95
Total cash and bank balances equivalents as at end of the year	<u>2,072.46</u>	<u>853.90</u>

As per our report of even date attached

 For M.L. Puri & Co
 Chartered Accountants
 (Firm's Registration Number: 002312N)

 M.L. Puri
 Partner
 Membership No.009198

 July 16th, 2020
 New Delhi

For and behalf of the Board

 S.K. Agarwal
 Managing Director
 DIN: 00106763

 K.K. Soni
 Director-Finance & CFO
 DIN:00106037

 M.P. Mehrotra
 Executive Vice Chairman
 DIN: 00016768

 H. Consul
 Company Secretary
 M.No: A-11183

Notes forming part of Standalone Financial Statement for the year ended March 31, 2020
Note 1: Corporate information

The company is a public limited company registered under the Companies Act, 1956 and is listed on the National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and Calcutta Stock Exchange. The Company has voluntarily surrendered the Certificate of Registration (CoR) with RBI which has been accepted by the RBI vide its letter dated 13/02/2014 w.e.f. 29/01/2014. The Company had applied for membership of Bombay Stock Exchange (BSE) and the same had been approved by BSE vide letter dated 14/05/2014. The SEBI Registration Certificate in connection thereto has been received vide letter dated 01/10/2014 and thereafter the Company is, inter alia, carrying on business as stock broker.

Note 2: Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation
(i) Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

For periods up to and including the year ended March 31, 2019, the Company presented its financial statements on accrual basis under historical cost convention, and conform in all material aspects to the Generally Accepted Accounting Principles in India ('Indian GAAP' or 'previous GAAP') which encompasses applicable accounting standards, relevant provisions of the Companies Act, 2013, other statutory provisions and regulatory framework.

These financial statements for the year ended 31st March 2020 are the first financial statements of the Company under Ind AS. Please refer Note 37 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The transition to Ind AS has been carried out in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards". Accordingly, the impact of transition has been recorded in Other Equity as at 1st April 2018.

The financial statements have been prepared using the significant accounting policies and measurement bases summarized as below. These accounting policies have been applied consistently over all the periods presented in these financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain Financial instruments are measured at fair value.
- Assets held for sale – measured at fair value less incidental cost to sell.

(iii) Preparation of financial statements

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division III of Schedule III to the Companies Act, 2013, the Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity.

(iv) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognized in the period in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods. The estimates and judgments that have significant impact on carrying amount of assets and liabilities at each balance sheet date are discussed at Note 3.

2.2 Revenue Recognition

The Company recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognized when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur. Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation. The Company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

Notes forming part of Standalone Financial Statement for the year ended March 31, 2020
(i) Brokerage fee income

It is recognized on trade date basis and is exclusive of goods and service tax and securities transaction tax (STT) wherever applicable.

(ii) Interest income

Interest income from financial assets is recognized on accrual basis.

(iii) Dividend income

Dividend income is recognized in the statement of profit or loss on the date that the Company's right to receive payment is established.

(iv) Gain / losses on dealing in securities

Gains / losses on dealing in securities are recognized on a trade date basis.

2.3 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in "other comprehensive income" or directly in "other equity". In this case, the tax is also recognized in "other comprehensive income" or directly in "other equity", respectively.

2.3.1. Current Tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

2.3.2. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets relating to unabsorbed depreciation/ business losses are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities. Transaction or event which is recognised outside profit or loss, either in "other comprehensive income" or in "other equity", is recorded along with the tax as applicable.

Current and deferred tax for the year: Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in "other comprehensive income" or directly in "other equity", in which case, the current and deferred tax are also recognised in "other comprehensive income" or directly in "other equity" respectively.

2.4 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated in the Cash flow statement.

2.6 Financial instruments
(i) Initial recognition and measurement:

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. In regular way, purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability which are not carried through profit and loss statement at its fair value plus or minus, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognized for financial assets measured at amortized cost.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognizes the difference as follows:

- a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognized as a gain or loss.
- b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortized over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realized through settlement.

Notes forming part of Standalone Financial Statement for the year ended March 31, 2020

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognized in profit or loss.

(ii) Fair value of financial instruments:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purpose. 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.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 35.

2.6.1 Financial assets
(i) Classification and subsequent measurement

The Company has applied Ind AS 109 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL):
Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit and loss statement. The gain or loss on disposal is recognised in the profit and loss statement. Interest income is recognised in the profit and loss statement for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognised when the Company's right to receive dividend is established.
- Fair value through other comprehensive income (FVTOCI):
Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition)
 - the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
 - the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
 Interest income is recognised in profit or loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the investment is disposed of, the cumulative gain or loss previously accumulated in FVTOCI is transferred from FVTOCI to Retained Earnings.

- Amortised cost:
Financial asset is measured at the amortised cost if both the following conditions are met:
 - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

(ii) Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, elect to measure the same either at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The Company has elected to measure such instrument at FVTOCI. Fair value changes excluding dividends, on an equity instrument measured at FVTOCI are recognized in OCI for its fair value changes. Amounts recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss. When the investment is disposed of, the cumulative gain or loss previously accumulated in FVTOCI is transferred from FVTOCI to Retained Earnings. Dividend income on the investments in equity instruments are recognized as 'Revenue from operations' in the Statement of Profit and Loss.

The investments in equity instruments of the subsidiary company and associates are measured at amortized cost.

(iii) Investments in mutual funds

Investments in mutual funds are measured at fair value through other comprehensive income (FVTOCI).

(iv) impairment

The Company recognizes impairment allowances using Expected Credit Losses ("ECL") method on all the financial assets that are not measured at FVTPL:

ECL are probability-weighted estimate of credit losses. They are measured as follows:

- Financials assets that are not credit impaired (the present value of all cash shortfalls that are possible within 12 months after the reporting date).
- Financials assets with significant increase in credit risk (the present value of all cash shortfalls that result from

Notes forming part of Standalone Financial Statement for the year ended March 31, 2020

all possible default events over the expected life of the financial assets).

- Financials assets that are credit impaired (the difference between the gross carrying amount and the present value of estimated cash flows).

Financial assets are written off / fully provided for when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

(v) Derecognition

A financial asset is derecognised only when:

The Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more party/parties.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

2.7 Financial liabilities
(i) initial recognition and measurement

Financial liabilities are classified at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in Statement of Profit or loss.

(ii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iii) derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and even in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.8 Property, plant and equipment

- (i) Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition and installation of the assets. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(ii) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(iii) Depreciation methods, estimated useful lives and residual value

Depreciation is calculated as per WDV method by company. Under this method, the depreciation is calculated at a certain fixed percentage each year on the decreasing book value commonly known as WDV of the asset (book value less depreciation).

The Company follows a procedure of writing off all capital expenses which do not exceed Rs.1000/- in each case.

(iv) Assets Useful life

The economic useful life of the asset is ascertained by the management as per Schedule II (Part-c) of the Companies Act, 2013.

Furniture and Fixtures: 10 years

Office Equipment: 5 years

Computers: 3 years/Servers: 6 years

Vehicles: 8 to 10 years

Buildings: 60 years

Leasehold Improvements- Over the primary lease period or useful life, whichever is less.

Notes forming part of Standalone Financial Statement for the year ended March 31, 2020
(v) Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

2.9 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization.

Development expenditure on software is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise it is recognized in the profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses.

Amortisation

Amortisation is calculated using the WDV method to write down the cost of intangible assets to their residual values over their estimated useful lives and is included in the depreciation and amortization in the statement of profit and loss.

<u>Intangible asset</u>	<u>Useful life / amortization period</u>
Computer Software	5 Years

Optional exemption from retrospective application:

Deemed cost for intangible assets.

The Company has elected to measure all its Intangible assets at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

2.10 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used by the group for business purposes, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

2.11 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal / external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of asset is the higher of its fair value or value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-

tax discount rate that reflects the current market assessment of time value of money and the risks specific to it. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An Impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount would have been determined, net of depreciation or amortization, had no impairment loss been recognised.

2.12 Provisions and contingencies:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.13 Earnings per share
a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

b) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive assets acquired and liabilities assumed.

Notes forming part of Standalone Financial Statement for the year ended March 31, 2020
2.14 First-time adoption of Ind AS

These financial statements, for the year ended 31st March 2020, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2015 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2020, together with the comparative period data as at and for the year ended 31st March 2019, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared on the date of transition to Ind AS i.e. as at 1st April 2018.

Estimates

The estimates as at 1st April 2018 and as at 31st March 2019 in accordance with Ind AS are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- FVTOCI–unquoted equity shares
- FVTOCI–debt securities
- Impairment of financial assets based on expected credit loss model.

2.15 Leases

The Company lease asset classes primarily consist of leases for buildings taken on lease for operating its office. The Company assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term. The lease liability is initially measured at amortized cost at the present value of the future lease payments

Transition

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over

the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

2.16 Foreign exchange transactions

The functional currency and the presentation currency of the Company is Indian Rupees. Transactions in foreign currency are recorded on initial recognition using the exchange rate at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on the settlement or translation of monetary items are recognized in the statement of profit and loss in the period in which they arise.

2.17 Borrowing costs

Borrowing costs include interest expense as per the effective interest rate (EIR) and other costs incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are recognized as an expense in the year in which they are incurred.

The difference between the discounted amount mobilized and redemption value of securities is recognized in the statement of profit and loss over the life of the instrument using the EIR.

2.18 Retirement and other employee benefits
(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of availing employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits such as salaries and wages, bonus and ex-gratia to be paid in exchange of employee services are recognized in the period in which the employee renders the related service.

(ii) Post-employment benefits
(ii) (a). Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The company makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The contribution of company is recognized as an expense in the Statement of Profit and Loss during the period in which employee renders the related service. There are no other obligations other than the contribution payable to the Provident Fund and Employee State Insurance Scheme. These contributions are recognized as an expense in the statement of profit and loss during the period during the period in which the employee renders the related service.

Notes forming part of Standalone Financial Statement for the year ended March 31, 2020
(ii) (b) Defined benefit plan:

Gratuity liability, wherever applicable, is provided for on the basis of an actuarial valuation done as per projected unit credit method, carried out by an independent actuary at the end of the year. The Company's gratuity benefit scheme is a defined benefit plan.

(ii) (c) Compensated absences

The Company provides for the encashment / availment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

Note. 3 Key accounting estimates and Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Any changes to accounting estimates are recognized prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- (a) Provision and contingent liability: On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.
- (b) Allowance for impairment of financial asset: Judgments are required in assessing the recoverability of overdue loans and determining whether a provision against those loans is required. Factors considered include the aging of past dues, value of collateral and any possible actions that can be taken to mitigate the risk of non-payment.
- (c) Recognition of deferred tax assets: Deferred tax assets are recognized for unused tax-loss carry forwards and unused tax credits to the extent that realization of the related tax benefit is probable. The assessment of the probability with regard to the realization of the tax benefit involves assumptions based on the history of the entity and applicable laws.
- (d) Property, plant and equipment and Intangible Assets: Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.
- (e) The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.
- (f) Defined benefit plans: The cost of defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long - term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.

Notes to the Standalone Financial Statements
Reconciliation of Equity as at date of transition 1st April 2018 and as at 31st March 2019

(Rupees in Lakh)

Particulars	Note No.	As at 31.03.2019			As at 01.04.2018		
		Previous GAAP	Adjustments	IndAs	Previous GAAP	Adjustments	IndAs
ASSETS							
1 Financial Assets							
(a) Cash and cash equivalents	4	691.55	-	691.55	792.98	-	792.98
(b) Bank Balance other than (a) above	5	162.35	-	162.35	107.33	-	107.33
(c) Receivables	6						
(I) Trade Receivables		113.74	-	113.74	91.61	-	91.61
(II) Other Receivables		269.55	-	269.55	246.89	-	246.89
(d) Loans	7	821.41	(0.91)	820.50	821.44	(0.93)	820.51
(e) Investments	8	28,070.93	59,029.23	87,100.16	26,361.21	57,946.67	84,307.88
(f) Other Financial assets (to be specified)	9	585.30	-	585.30	403.99	-	403.99
Total (1)		30,714.83	59,028.32	89,743.15	28,825.45	57,945.74	86,771.19
2 Non-financial Assets							
(a) Current tax assets (Net)	10	452.09	-	452.09	470.99	-	470.99
(b) Investment Property		70.94	-	70.94	70.94	-	70.94
(c) Property, Plant and Equipment	11	910.52	-	910.52	952.27	-	952.27
(d) Capital work-in-progress		403.53	-	403.53	214.92	-	214.92
(e) Other Intangible assets	11	0.81	-	0.81	1.25	-	1.25
(f) Other non-financial assets (to be specified)	12	120.42	-	120.42	30.87	-	30.87
Total (2)		1,958.31	-	1,958.31	1,741.24	-	1,741.24
Total Assets (1+2)		32,673.14	59,028.32	91,701.46	30,566.69	57,945.74	88,512.43
LIABILITIES AND EQUITY							
LIABILITIES							
1 Financial Liabilities							
(a) Payables							
(I) Trade Payables	13						
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		202.78	-	202.78	161.87	-	161.87
(II) Other Payables							
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		14.08	-	14.08	12.76	-	12.76
(b) Borrowings (Other than Debt Securities)	14	14.35	-	14.35	-	-	-
(c) Other financial liabilities (to be specified)	15	83.99	-	83.99	21.13	-	21.13
Total (1)		315.20	-	315.20	195.76	-	195.76
2 Non-financial Liabilities							
(a) Provisions	16	5,116.52	(5,050.09)	66.43	4,434.71	(4,386.09)	48.62
(b) Deferred tax liabilities (Net)	17	(124.38)	20,432.16	20,307.78	(127.81)	20,053.86	19,926.05
(c) Other non-financial liabilities (to be specified)	18	36.15	-	36.15	26.75	-	26.75
Total (2)		5,028.29	15,382.07	20,410.36	4,333.65	15,667.77	20,001.42
3 EQUITY							
(a) Equity Share capital	19	3,878.42	-	3,878.42	3,878.42	-	3,878.42
(b) Other Equity	20	23,451.23	43,646.25	67,097.48	22,158.86	42,277.97	64,436.83
Total (3)		27,329.65	43,646.25	70,975.90	26,037.28	42,277.97	68,315.25
Total Liabilities and Equity (1+2+3)		32,673.14	59,028.32	91,701.46	30,566.69	57,945.74	88,512.43

As per our report of even date attached

For M.L.Puri & Co
Chartered Accountants
(Firm's Registration Number: 002312N)

M.L. Puri
Partner
Membership No.009198

July 16th, 2020
New Delhi

For and behalf of the Board

S.K. Agarwal
Managing Director
DIN: 00106763

M.P. Mehrotra
Executive Vice Chairman
DIN: 00016768

K.K. Soni
Director-Finance & CFO
DIN:00106037

H. Consul
Company Secretary
M.No: A-11183

Notes to the Standalone Financial Statements
Reconciliation of total comprehensive income for the year ended 31st March, 2019

(Rupees in Lakh)

Particulars		Previous GAAP	Adjustments	As Per Ind AS
I	Revenue From Operations			
	Interest Income	462.30	-	462.30
	Dividend Income	576.88	-	576.88
	Trading in Shares/securities (Net)	306.66	-	306.66
	Other Operating Income	3.66	-	3.66
	Total Income from operations (Total I)	1,349.50	-	1,349.50
II	Other Income	3.81	1.73	5.54
	Total Other Income (Total II)	3.81	1.73	5.54
III	Total Income (I+II)	1,353.31	1.73	1,355.04
IV	EXPENSES			
	Employee benefits expense	343.30	5.40	348.70
	Net loss on fair value changes	(2,654.26)	3,969.26	1,315.00
	Finance costs	0.95	-	0.95
	Depreciation and amortization expense	59.14	-	59.14
	Other expenses	745.54	-	745.54
	Total expenses (IV)	(1,505.33)	3,974.66	2,469.33
V	Profit/(loss) before exceptional items and tax (III- IV)	2,858.64	(3,972.93)	(1,114.29)
VI	Exceptional Items			
	Provision for Diminution in value of assets (net)	664.00	(664.00)	-
VII	Profit/(loss) before tax (V-VI)	2,194.64	(3,308.93)	(1,114.29)
VIII	Tax expense:			
	(1) Current tax	432.78	-	432.78
	(2) Tax adjustment for earlier Year	(0.04)	-	(0.04)
	(3) Deferred tax	3.44	(1,388.31)	(1,384.87)
	Total Tax expenses (VIII)	436.18	(1,388.31)	(952.13)
IX	Profit / (Loss) for the period (VII-VIII)	1,758.46	(1,920.62)	(162.17)
XI	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	Gain / (Loss) arising on Defined Employee Benefits	-	3.69	3.69
	Remeasurement of Defined Employee Benefits	-	5,051.82	5,051.82
	Gain / (Loss) arising on fair valuation of Investment	-	(1,766.60)	(1,766.60)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-
	Total (A)	-	3,288.91	3,288.91
	B (i) Items that will be reclassified to profit or loss			
	Total (B)	-	-	-
	Total Other Comprehensive Income (A+B)	-	3,288.91	3,288.91
XII	Total Comprehensive Income for the period (IX+XI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)	1,758.46	1,368.29	3,126.75
XIII	Earnings per equity share (Face value per Share Rs.10/-each)			
	(1) Basic (in Rupees)	4.55	(4.97)	(0.42)
	(2) Diluted (in Rupees)	4.55	(4.97)	(0.42)

For M.L.Puri & Co
Chartered Accountants
(Firm's Registration Number: 002312N)

M.L. Puri
Partner
Membership No.009198

July 16th, 2020
New Delhi

For and behalf of the Board

S.K. Agarwal
Managing Director
DIN: 00106763

M.P. Mehrotra
Executive Vice Chairman
DIN: 00016768

K.K. Soni
Director-Finance & CFO
DIN:00106037

H. Consul
Company Secretary
M.No: A-11183

Notes to the Standalone Financial Statements

(Rupees in Lakh)

(Rupees in Lakh)

NOTE NO.	PARTICULARS	As at		
		31.03.2020	31.03.2019	01.04.2018
4	Cash and cash equivalents			
	a) Cash on hand	2.47	5.82	3.19
	b) Balances with Banks			
	- In Current Accounts	11.24	15.73	54.79
	- In Deposits Accounts (Original Maturity of Less than 3 months)	-	-	-
	c) Liquid Funds	1868.54	670.00	735.00
	Total	1,882.25	691.55	792.98
5	Bank Balance other than cash and cash equivalents			
	a) Fixed deposits with bank (Refer note below) (Original Maturity of more than 3 months and less than or equal to 12 months)	109.14	108.03	106.99
	b) Interest accrued on Fixed Deposits	0.32	0.37	0.34
	c) Bank balances in Unpaid dividend accounts	80.75	53.95	-
	Total	190.21	162.35	107.33

Note : Pledged with banks as security for overdraft facility

NOTE NO.	PARTICULARS	As at		
		31.03.2020	31.03.2019	01.04.2018
6	Receivables			
	(I) Trade Receivables			
	i) Secured, considered good	-	-	-
	ii) Unsecured, considered good			
	a) Receivable from share brokers	292.96	112.13	87.50
	b) Others	0.93	1.61	4.11
	Total	293.89	113.74	91.61
	No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.			
	(II) Other Receivables			
	i) Secured, considered good			
	Interest accrued	374.99	269.55	246.89
	ii) Unsecured, considered good	-	-	-
	Total	374.99	269.55	246.89
7	Loans			
	(Unsecured and considered good)			
	a) Loans			
	Loan to employees (including deferred cost)	9.97	20.50	20.51
	b) Others	800.00	800.00	800.00
	Total	809.97	820.50	820.51

Note No: 8 Investments

Particulars	Face Value (in Rs)	As at 31.03.2020		As at 31.03.2019		As at 01.04.2018	
		Holding (in Nos)	Fair Value (Rs in Lakh)	Holding (in Nos)	Fair Value (Rs in Lakh)	Holding (in Nos)	Fair Value (Rs in Lakh)
In Equity Instruments (At Fair Value Through Other Comprehensive Income)							
i) Quoted Equity Shares							
3I INFOTECH LIMITED	10	-	-	-	-	2,00,000	10.10
ACCELYA KALE SOLUTIONS LIMITED	10	2,61,218	2,228.19	2,66,718	2,447.27	2,75,218	3,657.78
ALLCARGO LOGISTICS LIMITED	2	4,69,082	274.18	66,300	76.31	3,500	5.15
AMBIKA COTTON MILLS LIMITED	10	88,500	467.23	92,961	1,042.56	1,00,000	1,291.15
AXIS BANK LIMITED.	2	2,000	7.58	-	-	-	-
ASIAN OILFIELD SERVICES LIMITED	10	-	-	25,000	16.19	-	-
ASHAPURA INTIMATES FASHION LIMITED.	10	-	-	-	-	1,03,868	468.39
ASHOK LEYLAND LIMITED	1	-	-	-	-	25,000	36.36
BAJAJ AUTO LIMITED.	10	3,000	60.67	-	-	-	-
BALMER LAWRIE & COMPANY	10	10,000	7.94	-	-	-	-
BANK OF MAHARASHTRA	10	-	-	1,25,000	17.19	-	-
BOMBAY BURMAH TRADING CORP LIMITED	2	-	-	3,000	38.98	7,000	81.96
BHARAT FORGE LIMITED.	2	-	-	-	-	7,900	55.27
BRIGADE ENTERPRISES LIMITED	10	-	-	7,000	17.54	-	-
BALRAMPUR CHINI MILLS LIMITED.	1	48,500	50.46	-	-	-	-
BHARAT ELECTRONICS LIMITED.	1	3,04,000	226.33	-	-	-	-
BHARAT HEAVY ELECTRICALS LIMITED.	2	83,200	17.30	-	-	-	-
BHARAT PETROLEUM CORP LIMITED	10	45,350	143.71	40,350	160.41	40,350	172.48
BIOCON LIMITED.	5	50,000	135.28	-	-	-	-
BRITANNIA INDUSTRIES LIMITED.	1	5,300	142.51	-	-	-	-
CANTABIL RETAIL INDIA LIMITED	10	1,75,000	352.27	1,75,000	503.65	1,75,000	204.05
CCL PRODUCTS INDIA LIMITED	2	-	-	5,849	16.67	-	-
CORPORATION BANK	2	-	-	50,000	14.38	-	-
COAL INDIA LIMITED.	10	20,000	28.01	-	-	-	-
COCHIN SHIPYARD LIMITED.	10	250	0.66	-	-	-	-
COX & KINGS FINANCIAL SERVICE LIMITED.	10	33,185	0.10	-	-	-	-
COX & KINGS LIMITED.	5	1,61,900	0.89	-	-	20,000	45.60
CPSE ETF	10	1,00,000	16.06	44,314	12.07	-	-
D B REALTY LIMITED	10	-	-	50,000	9.80	-	-
DE NORA INDIA LIMITED	10	-	-	4,400	12.88	-	-
DEEPAK FERTILIZERS & PETROCHEMICALS CORP LIMITED	10	-	-	17,500	23.01	-	-
DELTON CABLES LIMITED	10	-	-	20	-	-	-
DEWAN HOSING FINANCE CORPORATION LIMITED.	10	2,00,000	17.30	-	-	-	-
DCB BANK LIMITED	10	-	-	-	-	19,000	30.69
DHANLAXMI BANK LIMITED.	10	-	-	1,81,602	31.42	-	-
DHAMPUR SUGAR (KASHIPUR) LIMITED	10	89,767	-	89,767	-	89,767	-
DHAMPUR SUGAR MILLS LIMITED.	10	89,000	73.29	20,000	46.59	-	-
DLF LIMITED	2	72,000	98.96	1,00,000	202.45	-	-
DWARIKESH SUGAR INDUSTRIES LIMITED.	1	10,20,000	168.81	1,50,000	46.13	-	-

Notes to the Standalone Financial Statements

(Rupees in Lakh)

Particulars	Face Value (in Rs)	As at 31.03.2020		As at 31.03.2019		As at 01.04.2018	
		Holding	Fair Value	Holding	Fair Value	Holding	Fair Value
		(in Nos)	(Rs in Lakh)	(in Nos)	(Rs in Lakh)	(in Nos)	(Rs in Lakh)
EMBASSY OFFICE PARKS REIT		20,000	70.15	-	-	-	-
EXCEL INDUSTRIES LIMITED.	5	16,396	73.26	-	-	-	-
FEDERAL BANK LIMITED	2	-	-	77,000	74.27	65,000	57.98
FIRST SOURCE LIMITED	10	-	-	-	-	25,000	13.25
FORTIS HEALTHCARE LIMITED	10	-	-	-	-	59,500	73.39
FUTURE CONSUMER LIMITED	6	85,000	6.20	3,20,000	143.52	-	-
GAIL (INDIA) LIMITED	10	97,500	74.64	20,000	69.53	-	-
GIC HOUSING FINANCE LIMITED	10	-	-	35,110	94.67	-	-
GLAXOSMITHKLINE CONSUMER HEALTHCARE LIMITED.	10	9,000	897.68	-	-	-	-
GLOBAL VECTRA HELICORP LIMITED.	10	7,000	2.51	-	-	-	-
GMR INFRASTRUCTURE LIMITED	1	8,00,000	130.80	10,50,000	207.90	-	-
GRANULES INDIA LIMITED.	1	40,000	57.46	-	-	4,34,388	448.51
GUJARAT HOTELS LIMITED	10	-	-	-	-	2,500	2.99
GUJRAT NARMADA VALLEY FERTILISERS & CHEMICALS LIMITED.	10	13,000	14.91	-	-	-	-
GVK POWER & INFRASTRUCTURE LIMITED	1	3,00,000	6.75	75,000	5.74	-	-
HINDUSTAN UNILEVER LIMITED	1	-	-	20,000	341.36	15,000	200.00
HOTEL LEELA VENTURE LIMITED.	2	-	-	1,35,000	14.72	-	-
HOUSING & URBAN DELVELOPMENT CORP LIMITED	10	-	-	2,00,000	89.80	-	-
HITECH CORP. LIMITED.	10	-	-	-	-	36,000	51.89
HINDALCO INDUSTRIES LIMITED	1	-	-	-	-	15,000	32.18
HATSUN AGRO PRODUCTED LIMITED	1	-	-	-	-	10,000	69.15
HCL TECHNOLOGIES LIMITED	2	1,20,000	523.68	29,773	323.77	41,946	406.29
HERO MOTOCORP LIMITED.	2	500	7.98	-	-	-	-
HINDUSTAN CONSTRUCTION CO LIMITED	1	2,00,000	7.90	1,50,000	22.50	-	-
HINDUSTAN PETROLEUM CORP LIMITED	10	20,000	38.02	26,925	76.43	2,69,325	928.77
HOUSING DEVELOPMENT FINANCE CORP LIMITED	2	7,000	114.32	2,000	39.37	-	-
ICDS LIMITED	10	21,929	-	21,929	-	21,929	-
ICICI BANK LIMITED.	2	2,000	6.48	-	-	-	-
ICICI PRUDENTIAL LIFE INSURANCE LIMITED	10	-	-	-	-	20,000	77.72
IDBI BANK LIMITED	10	-	-	3,50,000	163.28	-	-
IDFC LIMITED	10	-	-	-	-	20,000	9.75
IDFC FIRST BANK LIMITED	10	10,00,000	211.00	6,49,500	360.47	-	-
IFCI Limited	10	2,00,000	8.10	-	-	-	-
IL&FS INVESTMENT MANAGERS LIMITED.	2	80,000	1.52	-	-	-	-
INDIABULLS HOUSING FINANCE LIMITED	2	-	-	2,500	21.46	-	-
IFGL REFRACTORIES LIMITED	10	-	-	-	-	77,541	189.16
INDIA GRID TRUST	100	-	-	-	-	5,103	4.82
INDIABULLS REAL ESTATE LIMITED	2	-	-	-	-	1,000	1.81
INDIA CEMENTS LIMITED.	10	20,000	21.17	-	-	-	-
INDIAN HOTELS CO. LIMITED.	1	26,000	19.50	-	-	22,000	28.47
INDIAN OIL CORPORATION LIMITED.	10	50,000	40.82	-	-	-	-
INDRAPRASTHA MEDICAL CORPORATION LIMITED.	10	1,16,000	39.32	-	-	-	-
INFOSYS LIMITED	5	2,50,000	1,603.75	3,85,198	2,865.30	2,45,099	2,774.03
INOX LEISURE LIMITED.	10	70,000	183.89	-	-	-	-
IRB INVIT FUND	102	-	-	-	-	5,000	4.10
IRCON INTERNATIONAL LIMITED.	2	25,200	96.02	-	-	-	-
ITC LIMITED.	1	1,50,000	257.55	-	-	20,000	51.10
JAIN IRRIGATION SYSTEMS LIMITED.	2	-	-	-	-	42,000	44.71
JAGRAN PRAKASHAN LIMITED	2	-	-	15,005	18.90	-	-
JK PAPER LIMITED	10	-	-	14,498	20.57	-	-
JAIPRAKASH ASSOCIATES LIMITED.	2	4,00,000	4.20	2,00,000	10.90	6,00,000	113.40
JAIPRAKASH POWER VENTURES LIMITED	10	2,00,000	1.20	2,00,000	3.70	-	-
JAMMU AND KASHMIR BANK LIMITED	1	3,99,000	49.68	50,000	26.85	-	-
JAYPEE INFRATECH LIMITED	10	50,000	0.33	50,000	1.22	-	-
JK TYRE & INDUSTRIES LIMITED	2	5,00,000	203.00	1,77,000	162.57	-	-
KCP SUGAR INDUSTRIES CORPORATION LIMITED	1	-	-	17,000	2.79	-	-
KARNATAKA BANK LIMITED	10	-	-	-	-	5,000	5.75
K.M.SUGAR MILLS LIMITED.	2	1,99,490	12.57	-	-	-	-
KALYANI STEEL LIMITED	5	4,00,000	509.60	4,97,913	1,069.02	5,41,383	1,610.61
L&T FINANCE HOLDING LIMITED	10	22,000	11.29	25,000	38.14	20,000	31.42
LUPIN LIMITED.	2	-	-	-	-	20,000	147.17
LIC HOUSING FINANCE LIMITED	2	-	-	19,000	101.12	-	-
LARSEN & TOUBRO LIMITED.	2	27,500	222.34	-	-	10,000	131.09
MBL INFRASTRUCTURES LIMITED.	10	68,256	1.84	-	-	-	-
MEGHMANI ORGANICS LIMITED	1	61,50,000	2,278.58	60,40,000	3,690.44	62,30,000	5,248.78
MERCATOR LIMITED.	1	8,00,000	4.80	-	-	2,00,000	69.10
MMTC LIMITED.	1	-	-	50,000	14.00	1,00,000	55.55
MISHRA DHATU NIGAM LIMITED.	10	25,000	44.71	-	-	-	-

Notes to the Standalone Financial Statements

(Rupees in Lakh)

Particulars	Face Value (in Rs)	As at 31.03.2020		As at 31.03.2019		As at 01.04.2018	
		Holding	Fair Value	Holding	Fair Value	Holding	Fair Value
		(in Nos)	(Rs in Lakh)	(in Nos)	(Rs in Lakh)	(in Nos)	(Rs in Lakh)
NAVKAR CORPORATION LIMITED	10	-	-	-	-	5,000	7.54
NEW DELHI TELEVISION LIMITED	4	-	-	-	-	60,102	24.58
NIRLON LIMITED	10	-	-	-	-	3,000	5.99
NESCO LIMITED	2	-	-	7,537	36.38	-	-
NATIONAL ALUMINIUM CO. LIMITED.	5	1,00,000	29.10	-	-	19,000	12.63
NATIONAL FERTILIZERS LIMITED.	10	70,116	12.87	-	-	-	-
NBCC INDIA LIMITED	1	5,50,000	89.65	1,78,000	118.01	6,500	12.38
NCC LIMITED	2	1,53,000	28.69	1,50,000	169.27	80,000	94.04
NETWOTK 18 MEDIA & INVESTMENTS LIMITED.	5	10,000	1.84	-	-	35,000	20.95
NMDC LIMITED	1	1,50,000	120.00	2,79,000	291.41	-	-
NTPC LIMITED.	10	1,30,000	109.46	-	-	-	-
OIL AND NATURAL GAS CORPORATION LIMITED	5	1,53,750	105.01	50,000	79.88	-	-
ORRISA SPONGE IRON & STEEL LIMITED	10	2,936	-	2,936	-	2,936	-
PARSAVNATH DEVELOPERS LIMITED.	5	1,30,664	1.63	-	-	-	-
PHILLIPS CARBON BLACK LIMITED.	2	500	0.31	-	-	-	-
PNC INFRATECH LIMITED	10	-	-	-	-	3,000	5.26
PRAJ INDUSTRIES LIMITED.	2	-	-	50,000	77.55	-	-
POWER GRID CORPORATION OF INDIA LIMITED	10	1,00,000	159.10	50,000	98.95	15,000	28.99
PRAKASH INDUSTRIES LIMITED.	10	52,000	10.14	-	-	15,000	25.36
PUNJAB NATIONAL BANK	2	31,80,300	1,028.83	75,000	71.62	-	-
RASHTRIYA CHEMICALS & FERTILIZERS LIMITED	10	1,30,000	36.86	-	-	1,00,000	73.20
RBL BANK LIMITED.	10	65,000	88.08	-	-	-	-
REC LIMITED.	10	8,000	7.10	-	-	-	-
RELAXO FOOTWEAR LIMITED	1	1,03,41,063	61,937.80	62,24,225	47,973.21	62,86,791	40,367.49
RELIANCE INDUSTRIES LIMITED.	10	500	5.57	-	-	-	-
RELIANCE POWER LIMITED.	10	2,00,000	2.50	-	-	-	-
SBI CARDS & PAYMENT SERVICES LIMITED.	10	3,060	18.93	-	-	-	-
SHREE PUSHKAR CHEMICALS & FERTILIZER LIMITED.	10	-	-	-	-	27,960	56.81
SINTEX PLASTICS TECHNOLOGY LIMITED	1	-	-	-	-	20,000	11.50
SOM DISTILLERIES & BREWERIES LIMITED	10	-	-	-	-	5,000	11.29
SOMI CONVEYOR BELTINGS LIMITED	10	-	-	-	-	40,000	19.28
SUN PHARMACEUTICALS IND LIMITED	1	-	-	-	-	10,000	49.51
SMS PHARMACEUTICALS LIMITED.	1	-	-	50,252	31.51	-	-
SHARDA CROPCHEM LIMITED.	10	11,182	12.00	-	-	-	-
STATE BANK OF INDIA	1	2,00,000	393.70	1,00,000	320.75	42,000	104.96
STEEL AUTHORITY OF INDIA LIMITED	10	1,50,000	34.57	1,00,000	53.75	60,000	42.12
STEL HOLDINGS LIMITED	10	2,33,183	89.78	2,34,583	233.17	2,90,259	288.23
STOVEC INDUSTRIES LIMITED.	10	100	1.59	-	-	-	-
SUMITOMO CHEMICAL INDIA LIMITED.	10	25,000	46.18	-	-	-	-
SUMMIT SECURITIES LIMITED	10	1,54,419	424.42	1,58,554	936.02	1,81,561	1,434.42
SURANA INDUSTRIES LIMITED	10	4,50,000	-	4,50,000	-	4,50,000	9.45
SURYA ROSHNI LIMITED	10	5,77,800	363.44	6,45,392	1,628.32	8,02,000	3,059.63
TATA CHEMICALS LIMITED.	10	2,500	5.59	-	-	-	-
TATA CONSUMER PRODUCTS LIMITED.	1	2,850	8.40	-	-	-	-
TATA STEEL LIMITED	10	-	-	-	-	5,933	33.88
THOMAS SCOTT (INDIA) LIMITED	10	-	-	-	-	5,477	0.79
TORRENT POWER LIMITED	10	-	-	-	-	30,000	68.78
THE SOUTH INDIAN BANK	1	-	-	2,30,000	37.95	-	-
TIDE WATER OIL COMPANY INDIA LIMITED	5	-	-	207	10.60	-	-
TATA POWER COMPANY LIMITED.	1	50,000	16.42	-	-	-	-
TATA STEEL BSL LIMITED	2	5,50,000	90.48	2,63,767	77.68	-	-
TCI INDUSTRIES LIMITED	10	9,544	55.45	9,544	80.17	9,544	81.61
TECHNOCRAFT INDUSTRIES (INDIA) LIMITED	10	2,17,669	396.27	2,49,000	1,382.57	3,80,424	1,858.37
TRIDENT LIMITED.	1	20,00,000	85.00	-	-	20,000	11.85
TRIVENI TURBINE LIMITED	1	-	-	-	-	20,000	20.10
TRIVENI ENGINEERING & INDUSTRIES LIMITED.	1	10,53,650	383.53	2,02,441	123.79	-	-
UCO BANK	10	-	-	50,000	9.40	-	-
UNION BANK OF INDIA	10	-	-	25,000	23.90	-	-
UNITED BANK OF INDIA	10	-	-	50,000	5.55	-	-
UJAAS ENERGY LIMITED	1	-	-	-	-	2,75,000	41.53
UNIPLY INDUSTRIES LIMITED.	10	-	-	-	-	10,000	37.82
VASCON ENGINEERS LIMITED	10	-	-	-	-	10,000	3.32
VA TECH WABAG LIMITED	2	50,000	41.18	30,000	98.73	-	-
VINATI ORGANICS LIMITED.	1	5,000	38.72	-	-	-	-
VODAFONE IDEA LIMITED	10	6,00,000	18.60	1,38,000	25.18	-	-
WIPRO LIMITED	2	-	-	18,000	45.86	-	-
WELSPUN ENTERPRISES LIMITED	10	-	-	-	-	20,000	28.27
YES BANK LIMITED.	2	1,81,250	40.69	-	-	-	-
Total 1(i)			78,716.73		68,850.99		66,893.85

Notes to the Standalone Financial Statements

(Rupees in Lakh)

Particulars	Face Value (in Rs)	As at 31.03.2020		As at 31.03.2019		As at 01.04.2018	
		Holding (in Nos)	Fair Value (Rs in Lakh)	Holding (in Nos)	Fair Value (Rs in Lakh)	Holding (in Nos)	Fair Value (Rs in Lakh)
(At Fair Value Through Other Comprehensive Income)							
ii) Unquoted Equity Shares							
Indhradhan Agro Limited.	10	1,50,000	-	1,50,000	-	1,50,000	-
Invest India Economic Foundation Private Limited.	10	2,000	-	2,000	-	2,000	-
Sunair Hotels Limited.	10	95,94,824	3,337.11	95,94,824	3,095.56	95,94,824	3,095.56
Dewdrop Career Solutions Private Limited	10	10,000	-	10,000	-	10,000	-
MPL Enterprises Limited	10	5,482	1.31	5,482	1.31	5,482	1.31
Runeecha Textiles Limited	10	3,57,600	-	3,57,600	-	3,57,600	-
BMS IT Institute Private Limited	10	-	-	56,00,000	2,492.00	56,00,000	2,492.00
Cox & Kings Financials Limited	10	-	-	10,167	1.02	-	-
Embassy Office Parks REIT	300	-	-	11,200	33.60	-	-
Total 1.(ii)			3,338.42		5,623.49		5,588.87
iii) Bonds/Debentures							
(a) Tax free Bonds : Quoted & Fully Paid-up							
(At Fair Value Through Other Comprehensive Income)							
- IRFC (NO)	1,000	16,507	193.96	16,507	191.15	16,507	189.33
- NHAI (NA)	1,000	2,81,528	3,223.52	2,81,528	3,151.37	2,81,528	3,099.62
- NHAI (NE)	1,000	86,668	1,022.68	85,378	988.25	85,378	981.68
- NHB BOND (N2)	5,000	7,000	430.50	-	-	-	-
- IRFC (N2)	1,000	1,00,000	1,165.00	-	-	-	-
- REC (NI)	1,000	1,00,000	1,165.05	-	-	-	-
Total 1.(iii)(a)			7,200.71		4,330.77		4,270.63
(b) Debentures : Unquoted & Fully Paid-up							
(At amortized cost)							
SRGP CORPORATION LIMITED	100	3,50,000	350.00	3,50,000	350.00	3,50,000	350.00
(18% Secured and Non convertible debentures)							
Total 1.(iii)(b)			350.00		350.00		350.00
Total 1. (iii)			7,550.71		4,680.77		4,620.63
iv) Preference shares							
(At Fair Value Through Other Comprehensive Income)							
Quoted & Fully Paid							
VEDANTA LIMITED	10	-	-	-	-	6,86,000	68.26
Total 1.(iv)							68.26
v) Quoted Partly paid-up shares							
(At Fair Value Through Other Comprehensive Income)							
Quoted & Partly Paid							
TATA STEEL LIMITED	10	500	0.15	500	0.32	500	0.70
HATSUN AGRO PRODUCTED LIMITED	1	-	-	702	3.73	-	-
Total 1.(v)			0.15		4.05		0.70
vi) Mutual Funds/PMS							
(At Fair Value Through Other Comprehensive Income)							
UNITS IN IIFL REAL ESTATE FUND(DOMESTIC SERIES 3		19,26,894	137.75	19,26,894	182.44	19,26,894	199.07
UNITS IN ICICI PRUDENTIAL REAL ESTATE AIF -II		1,30,524	70.63	1,30,524	131.28	1,49,185	152.85
BARODA PIONEER BALANCE FUND-PLAN B (DIV)		-	-	-	-	9,66,701	185.32
BARODA HYBRID EQUITY FUND-PLAN B (DIV)		9,66,701	54.62	9,66,701	177.10	-	-
<i>(Formerly BARODA PIONEER BALANCE FUND-PLAN B (DIV))</i>							
BARODA DYNAMIC EQUITY FUND-PLAN B (DIV)		5,00,000	50.55	5,00,000	53.20	-	-
BARODA EQUITY SAVING PLAN-DIRECT DIVIDEND		10,00,000	100.30	-	-	-	-
EDELWEISS CROSSOVER OPPORTUNITIES FUND-CLASS A1		14,35,917	164.53	14,35,917	145.63	7,70,509	85.14
UTI STRUCTURED DEBT OPPORTUNITIES FUND I -CLASS A4		2,68,98,757	992.34	2,68,98,757	486.03	2,51,74,522	252.03
ACCURACAP CONSULTANCT SERVICES PRIVATE LIMITED		PMS	28.63	PMS	38.45	PMS	48.46
MOTILAL OSWAL ASSET MANAGEMENT CO LIMITED		PMS	104.59	PMS	218.02	PMS	231.44
GLOBE CAPITAL MARKETS LIMITED		PMS	961.86	PMS	1,573.16	PMS	1,045.71
Total 1.(vi)			2,665.80		3,005.31		2,200.02
2. Others							
Unquoted and Fully paid-up Equity shares							
(i) Subsidiary Company							
(At amortized cost)							
VLS Securities Limited.	10	2,99,00,000	2,990.00	2,99,00,000	2,990.00	2,99,00,000	2,990.00
VLS Asset Management Limited.	10	70,100	7.01	70,100	7.01	70,100	7.01
Total 2.(i)			2,997.01		2,997.01		2,997.01
(ii) Associate Company							
(At amortized cost)							
VLS Capital Limited.	10	88,20,833	1,938.54	88,20,833	1,938.54	88,20,833	1,938.54
Total 2.(ii)			1,938.54		1,938.54		1,938.54
Grand Total			97,207.36		87,100.16		84,307.88

Notes to the Standalone Financial Statements

(Rupees in Lakh)

NOTE NO.	PARTICULARS	As at		
		31.03.2020	31.03.2019	01.04.2018
9	Other Financial Assets (Unsecured, considered good)			
	a) Margin Money Deposits			
	-with Subsidiaries	281.73	516.57	335.46
	-Others	5.00	5.00	5.00
	b) Security deposits	63.64	63.64	63.44
	c) Others	5750.09	0.09	0.09
	Total	6,100.46	585.30	403.99

(Rupees in Lakh)

NOTE NO.	PARTICULARS	As at		
		31.03.2020	31.03.2019	01.04.2018
10	Current Tax Assets (Net)			
	Advance Tax and Tax Deducted at source	1972.53	2621.98	2208.14
	Less: Tax Provisions	625.29	2169.89	1737.15
	Total	1,347.24	452.09	470.99

Note No 11 : Property, Plant and Equipment

(Rupees in Lakh)

Description	Building	Temporary Structure	Vehicles	Office Equipments	Furniture & fixtures	Air Conditioners	Computers	Electrical Installatoin	Generator	Assets on Lease	Right to use Assets (IndAs 116)	Total
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Gross Carrying Amount

Balance as at 01.04.2018	1110.96	6.89	71.78	22.71	12.80	15.16	23.22	2.45	4.31	12066.67	0.00	13336.95
Additions during the year	0.00	0.00	16.16	0.84	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17.00
Sales/Adjustments during the year	0.00	0.00	0.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.48
Balance as at 31.03.2019	1110.96	6.89	87.46	23.55	12.80	15.16	23.22	2.45	4.31	12066.67	0.00	13353.47

Balance as at 01.04.2019	1,110.96	6.89	87.46	23.55	12.80	15.16	23.22	2.45	4.31	12,066.67	0.00	13,353.47
Additions during the year	0.00	0.00	33.03	2.92	0.00	0.00	2.35	0.00	0.00	0.00	73.95	112.25
Sales/Adjustments during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31.03.2020	1,110.96	6.89	120.49	26.47	12.80	15.16	25.57	2.45	4.31	12,066.67	73.95	13,465.72

Accumulated Depreciation

Balance as at 01.04.2018	185.73	6.89	59.16	17.42	10.86	12.49	20.04	2.33	4.09	12065.67	0.00	12384.68
Depreciation for the year	45.03	0.00	8.53	2.42	0.44	0.64	1.53	0.00	0.00	0.00	0.00	58.59
Sales/Adjustments during the year	0.00	0.00	0.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.32
Balance as at 31.03.2019	230.76	6.89	67.37	19.84	11.30	13.13	21.57	2.33	4.09	12065.67	0.00	12442.95

Balance as at 01.04.2019	230.76	6.89	67.37	19.84	11.30	13.13	21.57	2.33	4.09	12,065.67	0.00	12,442.95
Depreciation for the year	42.84	0.00	10.91	2.00	0.32	0.39	1.12	0.00	0.00	0.00	57.65	115.23
Sales/Adjustments during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31.03.2020	273.60	6.89	78.28	21.84	11.62	13.52	22.69	2.33	4.09	12,065.67	57.65	12,558.18

Net Carrying Amount

As at 01.04.2018	925.23	0.00	12.62	5.29	1.94	2.67	3.18	0.12	0.22	1.00	0.00	952.27
As at 31.03.2019	880.20	0.00	20.09	3.71	1.50	2.03	1.65	0.12	0.22	1.00	0.00	910.52
As at 31.03.2020	837.36	0.00	42.21	4.64	1.18	1.64	2.88	0.12	0.22	1.00	16.30	907.55

Note No: 11 Other Intangible assets

(Rupees in Lakh)

Description	Computer Software	Total
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Gross Carrying Amount

Balance as at 01.04.2018	9.77											9.77
Additions during the year	0.11											0.11
Sales/Adjustments during the year	0.00											0.00
Balance as at 31.03.2019	9.88											9.88

Balance as at 01.04.2019	9.88											9.88
Additions during the year	0.30											0.30
Sales/Adjustments during the year	0.00											0.00
Balance as at 31.03.2020	10.18											10.18

Accumulated Depreciation

Balance as at 01.04.2018	8.52											8.52
Depreciation for the year	0.55											0.55
Sales/Adjustments during the year	0.00											0.00
Balance as at 31.03.2019	9.07											9.07

Balance as at 01.04.2019	9.07											9.07
Depreciation for the year	0.37											0.37
Sales/Adjustments during the year	0.00											0.00
Balance as at 31.03.2020	9.44											9.44

Notes to the Standalone Financial Statements
Note No: 11 Other Intangible assets (Contd...)

(Rupees in Lakh)

Net Carrying Amount

As at 01.04.2018	1.25										1.25
As at 31.03.2019	0.81										0.81
As at 31.03.2020	0.74										0.74

(Rupees in Lakh)

NOTE NO.	PARTICULARS	As at		
		31.03.2020	31.03.2019	01.04.2018
12	Other non-financial assets			
	Unsecured and considered good			
	Capital Advances	772.71	96.02	1.00
	Prepaid Expenses	4.20	4.26	4.72
	Receivable from subsidiaries	17.43	13.82	12.17
	Advances recoverable in cash or kind	7.34	6.32	8.68
	Secured and considered good			
	Taxes due from Government	-	-	4.30
	Total	801.69	120.42	30.87
13	Payables			
	Trade Payables			
	a) Total outstanding dues of micro enterprises and small enterprises	-	-	-
	Total	-	-	-
	b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
	-Payable to share brokers	203.57	200.94	156.52
	- other payables	2.02	1.84	5.35
	Total	205.59	202.78	161.87

NOTE NO.	PARTICULARS	As at		
		31.03.2020	31.03.2019	01.04.2018
	Other Payables			
	a) Total outstanding dues of micro enterprises and small enterprises	-	-	-
	Total	-	-	-
	b) Total outstanding dues of creditors other than micro enterprises and small enterprises	25.86	14.08	12.76
	Total	25.86	14.08	12.76
14	Borrowings (Other than debt securities)			
	Secured Loans from Banks			
	(Secured against Pledge of Fixed Deposits)	22.89	14.35	-
	Total	22.89	14.35	0.00
15	Other financial liabilities			
	a) Unpaid dividends accounts	80.75	53.95	-
	b) Creditors for capital goods	61.83	30.04	21.13
	c) Others	18.33	-	-
	Total	160.91	83.99	21.13
16	Provisions			
	Provisions for employee benefits	69.49	66.43	48.62
	Total	69.49	66.43	48.62

Note No 17 : Deferred tax liabilities (Net)

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19	For the year ended 1-April- 18
Deferred tax liability on account of :			
Timing difference on Property, plant and equipment as per books and Income Tax Act, 1961	39.78	45.98	34.74
IndAS Adjustments	27,410.93	22,032.35	20,083.06
Total deferred tax liabilities (A)	27,450.71	22,078.33	20,117.80
Deferred tax assets on account of:			
Timing difference on Property, plant and equipment as per books and Income Tax Act, 1961	-	-	-
Provision for leave encashment/Gratuity (Employee benefits)	17.49	23.21	16.83
Business loss carried forward	105.98	147.14	145.73
IndAS Adjustments	6,313.48	1,600.20	29.19
Total deferred tax assets (B)	6,436.95	1,770.55	191.75
Net deferred tax assets / (liability) (B-A)	(21,013.76)	(20,307.78)	(19,926.05)

Particulars	As at 31 March 2020	Recognised through profit and loss	Recognised through Other comprehensive income	As at 31 March 2019	Recognised through profit and loss	Recognised through Other comprehensive income	As at 1 April 2018
Deferred tax liabilities on account of:							
Timing difference on Property, plant and equipment as per books and Income Tax Act, 1961	39.78	(6.20)	-	45.98	11.24	-	34.74
Deferred tax on IndAS adjustments	27,410.93	-	5,378.58	22,032.35	-	1,949.29	20,083.06
Total deferred tax liabilities	27,450.71	(6.20)	5,378.58	22,078.33	11.24	1,949.29	20,117.80
Deferred tax assets on account of:							
Deferred Tax on IndAS Adjustments	6,313.48	-	4,713.28	1,600.20	-	1,571.01	29.19
Provision for leave encashment/Gratuity (Employee benefits)	17.49	(5.72)	-	23.21	6.38	-	16.83
Business loss carried forward	105.98	(41.16)	-	147.14	1.41	-	145.73
Total deferred tax assets	6,436.95	(46.88)	4,713.28	1,770.55	7.79	1,571.01	191.75
Total deferred tax Assets/(liability) (net)	(21,013.76)	(40.68)	(665.30)	(20,307.78)	(3.45)	(378.28)	(19,926.05)

Notes to the Standalone Financial Statements

(Rupees in Lakh)

Note No: 18 Other non-financial liabilities

	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
Statutory dues payable	24.78	36.15	26.75
Total	24.78	36.15	26.75

Note No : 19 Equity share capital

(Rupees in Lakh)

	As at 31-Mar-20		As at 31-Mar-19		As at 1-April-18	
	Number	Amount	Number	Amount	Number	Amount
Authorised Capital						
15,00,00,000 Equity Shares of Rs.10/- each	15,00,00,000	15,000.00	15,00,00,000	15,000.00	15,00,00,000	15,000.00
Total	15,00,00,000	15,000.00	15,00,00,000	15,000.00	15,00,00,000	15,000.00
Issued Capital						
3,91,29,517 Equity Shares of Rs.10/- each	3,91,29,517	3912.95	3,91,29,517	3912.95	3,91,29,517	3912.95
Total	3,91,29,517	3,912.95	3,91,29,517	3,912.95	3,91,29,517	3,912.95

Terms / rights attached to shares

The Company has one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

Subscribed & Paid-UP Capital

(Rupees in Lakh)

3,86,62,017 Equity Shares of Rs.10/- each fully paid up for cash	3,86,62,017	3866.20	3,86,62,017	3866.20	3,86,62,017	3866.20
Add: Amount forfeited on 4,67,500 equity shares		12.22		12.22		12.22
Total	3,86,62,017	3878.42	3,86,62,017	3878.42	3,86,62,017	3878.42

(Of the above 3,31,62,500 fully paid-up equity shares have been issued as bonus shares by way of capitalisation of security premium)

Reconciliation of number of shares outstanding

(Rupees in Lakh)

	As at 31-Mar-20		As at 31-Mar-19		As at 1-April-18	
	Number	Amount	Number	Amount	Number	Amount
Equity shares at the beginning of the year	3,86,62,017	3866.20	3,86,62,017	3866.20	3,86,62,017	3866.20
Equity shares at the end of the year	3,86,62,017	3866.20	3,86,62,017	3866.20	3,86,62,017	3866.20

List of shareholders holding more than 5% of the total number of equity shares issued by the Company

Name of shareholder	As at 31-Mar-20		As at 31-Mar-19		As at 1-April-18	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
VLS Capital Limited	1,33,36,538	34.50	1,33,36,538	34.50	1,33,36,538	34.50

Note 20 : Other Equity

(Rupees in Lakh)

	As at 31-Mar-20	As at 31-Mar-19	As at 1-April -18
a) General reserve			
Balance at the beginning of the year	2,968.84	2,968.84	2,968.84
Add: during the year	-	-	-
Balance as at end of the year	2,968.84	2,968.84	2,968.84
b) Security Premium			
Balance at the beginning of the year	9,627.48	9,627.48	9,627.48
Add: during the year	-	-	-
Balance as at end of the year	9,627.48	9,627.48	9,627.48
c) Capital Redemption Reserve			
Balance at the beginning of the year	113.30	113.30	113.30
Add: during the year	-	-	-
Balance as at end of the year	113.30	113.30	113.30
d) Retained earnings			
Balance at the beginning of the year	12,790.24	9,449.23	9,449.23
Profit/(loss) during the year	3,248.76	(162.17)	-
Transfer from/to FVTOCI to Retained Earnings	17,985.76	3,969.27	-
Right to use assets (IndAS 116)	(6.34)	-	-
Less: Dividend Paid and Dividend Distribution tax thereon Paid	(466.09)	(466.09)	-
Balance as at end of the year	33,552.33	12,790.24	9,449.23
e) Fair value gain on equity and other instruments carried through other comprehensive income			
Balance at the beginning of the year	41,587.51	42,271.56	-
Adjustment for effect of Transition to IndAS	-	-	42,271.56
Other Comprehensive Income during the year (net of tax)	15,432.36	3,285.22	-
Transfer from/to FVTOCI to Retained Earnings	(17,985.76)	(3,969.27)	-
Balance as at end of the year	39,034.11	41,587.51	42,271.56
f) Remeasurement of Defined Benefit Plans			
Balance at the beginning of the year	10.11	6.42	-
Adjustment for effect of IndAS	4.86	3.69	6.42
Balance as at end of the year	14.97	10.11	6.42
TOTAL (a to f)	85,311.03	67,097.48	64,436.83

Notes to the Standalone Financial Statements (Rupees in Lakh)

NOTE NO.	PARTICULARS	For the Year ended	
		31.03.2020	31.03.2019
21	Interest Income		
	Interest income from Investments:-		
	-Interest income from Tax Free Bonds	351.75	282.15
	-Interest income from Debentures	52.64	52.50
	-Interest income from PMS/MF investmens	94.99	85.69
	Interest on Margin Deposits with Share Brokers/stock exchange	38.90	34.58
	Interest on deposits with Banks	7.92	7.38
	Total	546.20	462.30
22	Dividend Income		
	Dividend - on Non-Current Investments	757.10	576.88
	Total	757.10	576.88
23	Net gain on fair value changes		
	Net gain/ (loss) on financial instruments at fair value through profit and loss account	1418.15	(1,315.00)
	Total	1,418.15	(1,315.00)
24	Trading in Shares/securites (Net)		
	Sale of Shares/Securities/Mutual Funds etc	3,32,671.36	2,96,401.12
	Purchase of Shares/Securities/Mutual Funds etc	(3,36,693.75)	(2,96,029.46)
	Change in Stock of Shares -Increase / (Decrease)	1,194.51	(65.00)
	Total	(2,827.88)	306.66
25	Other Operating Income		
	Securities Lending Fees	42.68	3.66
	Total	42.68	3.66
26	Other Income		
	Rent Receipts	0.60	0.60
	Misc Balances/Unspent liabilities written back (net)	5.91	0.38
	Reimbursement of expenses recovered	0.60	1.60
	Interest on staff loans and advances	0.76	1.19
	On Financial Assets measured at Amortised Cost	1.34	1.72
	Others	0.03	0.05
	Total	9.24	5.54
27	Employee benefits expense		
	Salaries	306.60	301.53
	Staff Amenities/welfare expenses	8.93	3.14
	Employer's Contribution to PF, ESI, Gratuity Fund etc.	32.92	44.03
	Total	348.45	348.70
28	Finance Costs		
	Bank / Finance Charges	0.86	0.83
	Interest Payment on Loans/overdraft facilities	0.19	0.12
	Interest on Right of Use assets -AS116	5.51	0.00
	Total	6.56	0.95

(Rupees in Lakh)

NOTE NO.	PARTICULARS	For the Year ended	
		31.03.2020	31.03.2019
29	Other expenses		
	Advertisement & Business Promotion	24.62	20.25
	Consultancy, Legal & Service Charges	216.62	290.07
	Communication Expenses	10.16	12.80
	Electricity & Water Charges	10.80	10.63
	Insurance	0.90	0.80
	Office Expenses	45.45	46.23
	Shares Transaction Charges	60.37	35.16
	Travelling Expenses & Conveyance	58.27	38.14
	Rates & Taxes	78.13	100.12
	Rent	0.00	63.90
	Repairs & Maintenance		
	--Building	-	-
	--Others	14.83	13.94
	Miscellaneous Expenses	86.34	91.63
	CSR Expenditure	77.00	0.00
	Auditors' Remuneration		
	a) Audit Fees	1.70	1.70
	b) For Other Services		
	--For Tax audit	0.90	0.90
	--For certification	1.60	1.89
	--Out of pocket expenses	0.35	0.35
	Internal Auditors' Remuneration		
	-- Fees	0.80	0.80
	--For certification	0.05	0.10
	Directors' Sitting Fees	14.00	16.10
	Loss on sale/transfer of assets	-	0.03
	Total	702.89	745.54
30	Earnings per equity share		
		For the year ended	
		31.03.2020	31.03.2019
	Net profit/(Loss) attributable to equity shareholders	3,248.76	(162.17)
	Total (A) (Amount in Lakh)	3,248.76	(162.17)
	Weighted average number of equity shares issued (face value of Rs. 10/- each)	3,86,62,017	3,86,62,017
	Total (B) (In Numbers)	3,86,62,017	3,86,62,017
	Basic earnings per share [A/B] (In Rupees)	8.40	(0.42)
	Net Profit/(Loss) attributable to equity shareholders [C] (Rs in lakhs)	3,248.76	(162.17)
	Less : Impact on net profit due to exercise of diluted potential equity shares [D]	-	-
	Net profit/(Loss) attributable to equity shareholders for calculation of diluted EPS [C-D] (Rs in lakhs)	3,248.76	(162.17)
	Weighted average of equity shares issued (face value of Rs. 10/- each) (In numbers) [E]	3,86,62,017	3,86,62,017
	Weighted number of additional equity shares outstanding for diluted EPS (In numbers) [F]	-	-
	Weighted number of equity shares outstanding for diluted EPS (In numbers) [E+F]	3,86,62,017	3,86,62,017
	Diluted earnings per share [C-D/E+F] (In Rupees)	8.40	(0.42)

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, FOR THE YEAR ENDED 31ST MARCH, 2020
(Rupees in lakhs)
Note 31. Related party transactions:

List of Related Parties and Relationships:

a) Subsidiary Companies:

1. VLS Securities Limited (99.67%)
2. VLS Asset Management Limited (99.15%)

b) Associate Company:

1. VLS Capital Limited

c) Key Managerial Personnel:

1. Shri M.P.Mehrotra (Executive Vice Chairman)

2. Shri S. K. Agarwal (Managing Director)

3. Shri K. K. Soni (Director Finance & CFO)

4. Shri H Consul, Company Secretary

d) Others:

1. South Asian Enterprises Limited

2. Mr Vikas Mehrotra (Director)

3. Ms Divya Mehrotra (Director)

4. M/s Vinayak Pharma – related to Mr SK Agarwal, Managing Director

Transactions with Related Parties:

Nature of Transaction	Related Party Name and Type	Year Ended March 31, 2020	Year Ended March 31, 2019	Year Ended March 31, 2018
Purchase of Securities	Subsidiary	69,735.79	63,528.76	33,015.93
Sale of Securities	Subsidiary	72,950.86	65,676.28	34,698.27
Rent and other Charges received	Subsidiary	1.42	1.42	1.42
Other charges paid	Subsidiary	117.84	94.24	51.78
Interest received on Margin Money Deposits	Subsidiary	36.29	32.03	17.33
Remuneration to Executive Vice Chairman (with effect from 01/08/2017)	Key Managerial Personnel	60.00	60.00	40.00
Remuneration to Managing Director	Key Managerial Personnel	35.03	35.39	30.75
Remuneration to Director- Finance & CFO	Key Managerial Personnel	33.63	33.92	29.55
Remuneration to Company Secretary.	Key Managerial Personnel	21.99	21.99	19.72
Security Deposit Paid	Others	505.00	Nil	Nil
Sanitizer and other Medical consumables/ equipments purchased (COVID-19 preventive measures)	Others	0.03	Nil	Nil
Advertisement Charges Paid	Others	Nil	Nil	5.75
Other Transactions:				
Sitting Fees paid to all Non-executive Directors	(Others)	14.00	16.10	10.90
Outstanding Balance at the year end (including margin money deposits)	1.Subsidiaries 2.Security Deposits Paid (others)	299.16 505.00	530.39 Nil	347.63 Nil

Note 32. Capital management

For the purpose of the Company's capital management capital includes issued equity capital share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure the Company may adjust the dividend payment to shareholders return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio as less as possible. The Company includes within net debt interest bearing loans and borrowings trade and other payables less cash and cash equivalents excluding discontinued operations.

Particulars	31 March 2020	31 March 2019	01 April 2018
Borrowings	22.89	14.35	-
Trade payables	205.58	202.77	161.87
Other payables	25.86	14.08	12.76
Less: cash and cash equivalents	1,882.25	691.55	792.98
Net debt	-	-	-
Total capital	89,189.45	70,975.91	68,315.25
Gearing ratio	NA	NA	NA

In order to achieve this overall objective the Company's capital management amongst other things aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, FOR THE YEAR ENDED 31ST MARCH, 2020

(Rupees in lakhs)

Note 33. a) Dues to Micro and small Suppliers

Under the Micro Small and Medium Enterprises Development Act 2006 (MSMED) which came into force from 02 October 2006 certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company the following disclosures are made for the amounts due to the Micro and Small Enterprises.

There are no dues outstanding of an entity which is registered as the Micro Small and Medium Enterprises defined under "The Micro Small and Medium Enterprises Development Act 2006".

Particulars	31 March 2020	31 March 2019	01 April 2018
a). Principal amount remaining unpaid to any supplier as at the period end.	Nil	Nil	Nil
Interest due thereon	Nil	Nil	Nil
Amount of interest paid	Nil	Nil	Nil

Note 35. Fair Value

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value			Fair value		
	31 March 2020	31 March 2019	01 April 2018	31 March 2020	31 March 2019	01 April 2018
Financial assets						
Other financial assets	6,100.46	585.30	403.99	6,100.46	585.30	403.99
Loans	809.97	820.50	820.51	809.97	820.50	820.51
FVTOCI financial investments	76,587.09	82,048.34	26,361.20	97,207.36	87,100.16	84,307.88
Total	83,497.52	83,454.14	27,585.70	104,117.79	88,505.96	85,532.38
Financial liabilities						
Borrowings	22.89	14.36	-	22.89	14.36	-
Other Financial Liabilities	160.91	83.99	21.13	160.91	83.99	21.13
Total	183.80	98.35	21.13	183.80	98.35	21.13

The management assessed that cash and cash equivalents trade receivables trade payables bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is shown at the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the quoted securities and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments is based on NAV as per latest financials of the respective company. Other financial liabilities as well as other non-current financial liabilities is based on carrying value and obligations under finance lease is estimated by discounting future cash flows using rates currently available for debt on similar terms credit risk and remaining maturities. The Company follows "FIFO" method for calculating the profit/loss on sale of investments.

Note 36. Impact of COVID-19 on Going Concern Assumption and Estimation uncertainty relating to the global health pandemic on COVID-19.

The impact of COVID-19 on the global economy and how governments businesses and consumers respond is uncertain.

b). Earnings in Foreign Currency	Nil	Nil	Nil
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c). Expenditure in Foreign Currency	Nil	2.31	Nil
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Note 34. Commitments and contingencies
a. Commitments:

Estimated amount of contracts remaining to be executed on Capital Account:

31 st March 2020	31 st March 2019	01 st April 2018
212.51	187.56	68.71

b. Contingent liabilities

31 st March 2020	31 st March 2019	01 st April 2018
Nil	Nil	Nil

This uncertainty is reflected in the Company's assessment of fair valuation and impairment on its investments which are subject to management judgements and estimates. In relation to COVID-19 judgements and assumptions include the extent and duration of the pandemic the impacts of actions of governments and other authorities and the responses of businesses and consumers in different industries along with the associated impact on the global economy. The methodologies and assumptions applied in the fair valuation and impairment loss allowance calculations remained unchanged during the whole year. The Company as a part of its Investment portfolio made various investments in the equity of listed / unlisted companies mutual funds and bonds. The Company believes that it has taken into account all the possible impact of known events arising out of COVID 19 pandemic in the preparation of financial results reflecting out of fair valuation of these investments. However the impact assessment of COVID 19 is a continuing process given its nature and duration. The Company will continue to monitor for any material changes to future economic conditions.

Based on the aforesaid the management concludes that no material uncertainty exists about the company's ability to continue as a going concern and accordingly the management has prepared these financial statements on a going concern basis.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, FOR THE YEAR ENDED 31ST MARCH, 2020
(Rupees in lakhs)
Note 37. Approach to exemptions under Ind AS 101 First Time Adoption of Indian Accounting Standards (Ind AS)
First time adoption of Ind AS

For reporting periods up to and including the year ended March 31 2019 the Company prepared its financial statements in accordance with Indian GAAP. The Company has prepared its financial statements in accordance with Ind AS prescribed under section 133 of the Act and other accounting principles generally accepted in India and as notified by Ministry of Corporate Affairs with the transition date being April 1 2018. The impact of transition has been provided in the other comprehensive income under the head "other equity" as at April 1 2018.

In preparing these financial statements the Company has opted to avail the choices available for certain transitional provisions within Ind AS 101 'First time adoption of Indian Accounting Standards' which offers exemption from applying specified Ind AS retrospectively. The most significant of these provisions are in the following areas:

i. deemed cost for property plant and equipment and intangible assets

- a. The Company has elected to continue with the carrying value for all of its property plant and equipment and intangible assets as measured as per the previous GAAP and used that as its deemed cost as at the date of transition.
- b. The term of lease agreements in respect of Leased Assets have expired and the assets continue in the possession of lessees. However, the said assets

vi Reconciliation of net worth and net income between Indian GAAP and Ind AS financial statements.
a. Reconciliation of shareholders' equity as per Indian GAAP and Ind AS financial statements

Particulars	As at 1 st April 2018	As at 31 st March 2019
Net worth as per Indian GAAP	26,037.27	27,329.65
Adjustments under Ind AS:		
Fair valuation of securities including deferred tax on various Ind AS adjustments	42,277.98	43,646.26
Total impact on net worth	42,277.98	43,646.26
Total shareholders' equity as per Ind AS financial statements	68,315.25	70,975.91

b. Reconciliation of net profit as per Indian GAAP and Ind AS
Financial statements.

Particulars	As at 31 st March 2019
1. Net profit as per Indian GAAP	1,758.47
<i>Adjustments on account of:</i>	
2. Fair valuation of securities	(-)3,969.27
3. Other Ind AS adjustments	660.33
4. Deferred tax on such adjustments	1,388.30
5. Net profit as per Ind AS financial statements (1-2+3+4) Total (A)	(-)162.17
<i>Other comprehensive income:</i>	
6. Re-measurement of net defined employee benefit plan	3.69
7. Fair valuation of securities	5,051.82
8. Deferred Tax on such adjustments	(-)1,766.59
Total (B) (6+7-8)	3,288.92
9. Total comprehensive income as per Ind AS financial statements (A+B)	3,126.75

c. Reconciliation of Statement of cash flows

There were no material differences between the Statement of Cash Flows presented under Ind AS and the previous GAAP.

have been included in the block of fixed assets of the Company at net value after adjusting accumulated depreciation pending the transfer of titles. (Please refer Note.11 PPE)

ii. classification and measurement of financial assets

At the transition date the Company assessed the conditions for classification of financial assets and accordingly classified its financial assets at either amortised cost or fair value through other comprehensive income or fair value through statement of profit and loss as appropriate under the provisions of Ind AS 109 'Financial Instruments'.

iii. de-recognition of financial assets

The Company has elected to not recognise financial assets or financial liabilities which were de-recognised in accordance with its previous GAAP as a result of transactions that occurred before the transition date.

iv. Revenue from contracts with customers

- a. For completed contracts within the same annual reporting period no restatement has been done;
- b. For completed contracts the Company has used the transaction price at the date the contract was completed.

v. Investments in subsidiaries and associates

The financial statements prepared are separate financial statements. The Company has elected to measure investment in subsidiaries and associates at deemed cost (previous GAAP carrying amount) as per Ind AS 27.

vii. Notes to the reconciliations.
(a) Valuation of debt and equity securities:

Under Indian GAAP the investment in securities was considered as Non-current investments and had been valued at cost. The securities held as stock in trade was carried at lower of cost or market value. Accordingly only mark-to-market losses on securities held as stock in trade was recognised in the statement of profit and loss while gains were ignored. Non-current investments were carried at acquisition cost after providing for diminution in value if such diminution was other than of a temporary nature. As per Ind AS all financial assets have to be classified either at 'amortised cost' or 'fair value through other comprehensive income' or 'fair value through profit and loss'. Under Indian GAAP unrealized gains were not accounted in the books. Under Ind AS unrealized gains have been accounted in the statement of profit and loss through other comprehensive income.

This has resulted in an increase in the head "other equity" as on 1st April 2018 of Rs. 37,892.49/-Lakh (net of deferred tax liabilities) and increase in "other equity" for the year ended 31st March 2019 by Rs. 3,286.51/-Lakh (net of deferred tax liabilities) which has been routed through other comprehensive income and directly taken to the head "other equity"

(b) Lease rent escalation:

Under Indian GAAP lease payments under an operating lease are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the users benefit. Under Ind AS at the date of commencement of the lease the company has to recognize a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee except for leases with a term of twelve months or less (short-term leases) and low value leases.

The impact on this account of Rs. (-)6.34/- Lakh has been routed through retained earnings as on 01st April 2019.

(c) Impairment of financial assets:

Under Indian GAAP the Company recognizes impairment on trade receivables based on the ageing of the due balance. Under Ind AS the Company applies the expected credit loss model (ECL) for measurement and recognition of impairment loss.

However, there was no impact of the same during the years for which the financials are prepared.

(d) Accounting for security deposits:

Under Indian GAAP the security deposits given were accounted on the transaction price. Ind AS requires such assets to be recognized at present value.

(e) Deferred tax asset/liability

The transitional Ind AS adjustments has led to temporary differences in the tax and accordingly deferred tax impact on these adjustments has been accounted.

Note 38: Financial risk management
Risk management framework

The Company has established a comprehensive system for risk management and internal controls for all its businesses to manage the risks that it is exposed to. The objective of its risk management framework is to ensure that various risks are identified measured

and mitigated and also that policies procedures and standards are established to address these risks and ensure a systematic response in the case of crystallization of such risks.

The Company has exposure to the following risk arising from financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

The Company has established required policies with respect to such risks which set forth limits mitigation strategies and internal controls to be implemented. The Board oversees the Company's risk management which frames and reviews risk management processes and controls.

a) credit risk:

It is risk of financial loss that the Company will incur a loss because its customer or counterparty to financial instruments fails to meet its contractual obligation.

The Company's financial assets comprise of Cash and bank balance Stock-in-trade Trade receivables Loans Investments and Other financial assets.

The maximum exposure to credit risk at the reporting date is primarily from Company's trade receivables.

Following provides exposure to credit risk for trade receivables:

Particulars	March 31,2020	March 31,2019	April 1, 2018
Trade and Other Receivables (net of impairment)	668.88	383.29	338.50
Total	668.88	383.29	338.50

Trade Receivables: The Company has followed simplified method of ECL in case of Trade receivables and the Company recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. At each reporting date the Company assesses the impairment requirements.

Other financial assets considered to have a low credit risk:

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks of high standing. Investments comprise of quoted and unquoted Equity instruments bonds and mutual funds which are market tradable. Other financial assets include deposits for assets acquired on lease.

b) liquidity risk

Liquidity represents the ability of the Company to generate sufficient cash flow to meet its financial obligations on time both in normal and in stressed conditions without having to liquidate assets or raise funds at unfavorable terms thus compromising its earnings and capital.

Liquidity risk is the risk that the Company may not be able to generate sufficient cash flow at reasonable cost to meet expected and / or unexpected claims. It arises in the trading and investment activities and in the management of trading positions. The Company aims to maintain the level of its cash and cash equivalents and other highly marketable investments at an amount in excess of expected cash outflow on financial liabilities.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, FOR THE YEAR ENDED 31ST MARCH, 2020
(Rupees in lakhs)

Funds required for short period is taken care by borrowings through overdraft facility against fixed deposits with the bank.

The table below summaries the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31 2020

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
Assets					
Cash and bank balances	1,882.25	109.46		80.75	2072.46
Trade receivables	293.89				293.89
Other receivables	374.99				374.99
Loans	6.56	2.13	1.28	800.00	809.97
Investments			26,630.96	70,576.40	97,207.36
Other financial assets	281.73	5,765.30		53.43	6,100.46
Total	2,839.42	5,876.89	26,632.24	71,510.58	106,859.13
Liabilities					
Trade payables	205.59				205.59
Other payables	25.86				25.86
Borrowings	22.89				22.89
Other financial liabilities	57.81	22.35		80.75	160.91
Total	312.15	22.35		80.75	415.25
Net Excess / (shortfall)	2,527.27	5,854.54	26,632.24	71,429.83	106,443.88

The table below summaries the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31 2019

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
Assets					
Cash and bank balances	691.55	108.39		53.96	853.90
Trade receivables	113.74				113.74
Other receivables	269.55				269.55
Loans	7.93	6.61	5.96	800.00	820.50
Investments			24,014.66	63,085.50	87,100.16
Other financial assets	516.57		15.30	53.43	585.30
Total	1,599.34	115.00	24,035.92	63,992.89	89,743.15
Liabilities					
Trade payables	202.77				202.77
Other payable	14.08				14.08
Borrowings	14.35				14.35
Other financial liabilities	19.39	10.65		53.96	84.00
Total	250.59	10.65		53.96	315.20
Net Excess / (shortfall)	1,348.75	104.35	24,035.92	63,938.93	89,427.95

The table below summaries the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at April 1 2018.

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
Assets					
Cash and bank balances	792.98	107.33			900.31
Trade receivables	91.61				91.61
Other receivables	246.89				246.89
Loans	7.62	5.15	7.74	800.00	820.51
Investments			22,687.13	61,620.75	84,307.88
Other financial assets	335.46		15.30	53.23	403.99
Total	1,474.56	112.48	22,710.17	62,473.98	86,771.19
Liabilities					
Trade payables	161.87				161.87
Other payables	12.76				12.76
Borrowings	0	0	0	0	0
Other financial liabilities	14.15	6.97			21.12
Total	188.78	6.97			195.75
Net Excess / (shortfall)	1,285.78	105.51	22,710.17	62,473.98	86,575.44

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, FOR THE YEAR ENDED 31ST MARCH, 2020
(Rupees in lakhs)
c) market risk

Market risk arises when movements in market factors (foreign exchange rates interest rates credit spreads and equity prices) impact the Company's income or the market value of its portfolios. The Company in its course of business is exposed to market risk due to change in equity prices interest rates and foreign exchange rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns. The Company classifies exposures to market risk into either trading or non-trading portfolios. Both the portfolios are managed using the following sensitivity analyses:

- i) Equity price Risk
- ii) Interest Rate Risk
- iii) Currency Risk

i) Equity price Risk

The Company's exposure to equity price risk arises primarily on account of its investment positions

The Company's equity price risk is managed in accordance with its Corporate Risk and Investment policy (CRIP) approved by the board. The board specifies exposure limits and risk limits for the investments in equity.

ii) Interest Rate Risk

The Company's exposure to interest rate risk arises primarily on account of its amount given on loan and the surplus funds kept as deposits with the banks.

The Company's interest rate risk is managed in accordance with its policy approved by its board.

The non-traded Financial Assets and liabilities are fixed rate instruments and are valued at amortised cost. Any shifts in yield curve will not impact their carrying amount and will therefore not have any impact on the Company's statement of profit and loss.

iii) Currency Risk /foreign exchange Risk

There is no exposure to currency risk as there is no position of the company stands in exchange traded currency derivatives.

Note 39: Employees Benefits
i) Defined Contribution Plans:

Amount of Rs. 15.87/-lakh (Rs.15.86/-lakh for the financial year 2018-2019 and Rs.14.39/-lakh for the financial year 2017-2018) contributed to provident funds is recognized as an expense under 'Employee Cost in the Statement of Profit and Loss.

ii) Defined Benefit Plans

Funded:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. The gratuity plan is funded with LIC.

The following table summarizes the components of net expenses for gratuity benefits recognized in the statement of profit and loss other comprehensive income and the amounts recognized in the balance sheet:

1. Assumptions	Year Ended March 31, 2020	Year Ended March 31, 2019	Year Ended March 31, 2018
Discount rate	7.00%	7.75%	7.75%
Salary Escalation	5.00%	5.00%	5.00%
Mortality	IALM 2012-14	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
2. Changes in present value of obligation during the year			
Present value of obligation as at beginning of the year	124.61	100.79	76.30
Interest Cost	8.72	7.81	5.91
Current Service Cost	7.15	6.96	5.26
Past Service Cost	-	11.41	14.64
Benefits Paid	-	-	(6.58)
Actuarial (gain) / loss on obligations	(3.47)	(2.36)	5.26
Present value of obligations as at end of the year	137.01	124.61	100.79
3. Changes in fair value of plan assets			
Fair value of plan assets at beginning of year	72.05	65.33	62.98
Expected return on plan assets	5.04	5.06	4.88
Contributions	4.80	1.61	4.18
Benefits paid	-	-	(6.58)
Actuarial gain / (loss) on plan assets	0.53	0.05	(0.13)
Fair value of plan assets at the end of the year	82.42	72.05	65.33
Funded status surplus / (deficit)	(54.59)	(52.56)	(35.46)

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, FOR THE YEAR ENDED 31ST MARCH, 2020

(Rupees in lakhs)

4. OCI / Expenses (Re measurements)			
Cumulative Un recognized Actuarial (gain)/loss opening b/f	(1.25)	1.16	(4.23)
Actuarial (gain) / loss on obligations	(3.47)	(2.36)	5.26
Actuarial (gain) / loss for the year – on plan assets	(0.52)	(0.05)	0.13
Total (gain) / loss for the year	(3.99)	(2.41)	5.39
Cumulative total actuarial (gain)/loss c/f	(5.24)	(1.25)	1.16
5. Amounts to be recognized in the Balance Sheet			
Present value of obligations as at the end of the year	137.01	124.61	100.79
Fair value of plan assets as at the end of the year	82.42	72.05	65.33
Net (asset) / liability recognized in balance sheet	54.59	52.56	35.46
Funded Status Surplus/ (Deficit)	(54.29)	(52.56)	(35.46)
6. Amounts recognized in the Statement of Profit and Loss			
Current service cost	7.15	6.96	5.26
Interest Cost	8.72	7.81	5.91
Past Service Cost	-	11.41	14.64
Expected return on plan assets	(5.04)	(5.06)	(4.88)
Expenses recognized in Statement of Profit and Loss	10.83	21.12	20.93

The following table summarizes the components of net expenses for leave encashment recognized in the statement of profit and loss other comprehensive income and the amounts recognized in the balance sheet:

1. Assumptions	Year Ended March 31, 2020	Year Ended March 31, 2019	Year Ended March 31, 2018
Discount rate	7.00%	7.75%	7.75%
Salary Escalation	5.00%	5.00%	5.00%
Mortality	IALM 2012-14	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
2. Changes in present value of obligation during the year			
Present value of obligation as at beginning of the year	13.88	13.16	12.06
Interest Cost	0.97	1.02	0.94
Current Service Cost	0.92	0.98	0.95
Benefits Paid	-	-	(1.43)
Actuarial (gain) / loss on obligations	(0.87)	(1.28)	0.64
Present value of obligations as at end of the year	14.90	13.88	13.16
3. OCI / Expenses (Re measurements)			
Cumulative Un recognized Actuarial (gain)/loss opening bf	(2.83)	(1.54)	(2.18)
Actuarial (gain) / loss on obligations	(0.87)	(1.28)	0.64
Actuarial (gain) / loss for the year – on plan assets	-	-	-
Total (gain) / loss for the year	(0.87)	(1.28)	0.64
Cumulative total actuarial (gain)/loss c/f	(3.70)	(2.82)	(1.54)
4. Amounts to be recognized in the Balance Sheet			
Present value of obligations as at the end of the year	14.90	13.88	13.16
Fair value of plan assets as at the end of the year	-	-	-
Net (asset) / liability recognized in balance sheet	14.90	13.88	13.16
Funded Status Surplus/ (Deficit)	(14.90)	(13.88)	(13.16)
5. Amounts recognized in the Statement of Profit and Loss			
Current service cost	0.92	0.98	0.95
Interest Cost	0.97	1.02	0.94
Expected return on plan assets	-	-	-
Expenses recognized in Statement of Profit and Loss	1.89	2.00	1.89

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, FOR THE YEAR ENDED 31ST MARCH, 2020

Note: 40: Maturity Analysis of Assets and Liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(Amount in Lakhs)

Assets	31-Mar-20			31-Mar-19			01-Apr-18		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets									
Cash and cash equivalents	1,882.25		1,882.25	691.55		691.55	792.98		792.98
Bank Balance other than above	109.46	80.75	190.21	108.39	53.96	162.35	107.33		107.33
Trade receivables	293.89		293.89	113.74		113.74	91.62		91.62
Other receivables	374.99		374.99	269.55		269.55	246.89		246.89
Loans	8.69	801.28	809.97	14.54	805.96	820.50	12.77	807.74	820.51
Investments	-	97,207.36	97,207.36		87,100.16	87,100.16		84,307.88	84,307.88
Other financial assets	6,047.03	53.43	6,100.46	516.57	68.73	585.30	335.46	68.52	403.98
Total-Financial assets	8,716.31	98,142.82	1,06,859.13	1,714.34	88,028.81	89,743.15	1,587.05	85,184.14	86,771.19
Non-Financial assets									
Current Tax assets		1,347.24	1,347.24		452.09	452.09		470.99	470.99
Investment Property		70.94	70.94		70.94	70.94		70.94	70.94
Property, plant and equipment	16.30	891.25	907.55		910.52	910.52		952.27	952.27
Capital work-in-progress	725.44	-	725.44		403.53	403.53		214.92	214.92
Other Intangible assets		0.74	0.74		0.81	0.81		1.25	1.25
Other non-financial assets	748.26	53.43	801.69	81.60	38.82	120.42	18.70	12.17	30.87
Total-Non financial assets	1,490.00	2,363.60	3,853.60	81.60	1,876.71	1,958.31	18.70	1,722.54	1,741.24
Total Assets	10,206.31	1,00,506.42	1,10,712.73	1,795.94	89,905.52	91,701.46	1,605.75	86,906.68	88,512.43
Liabilities									
Financial Liabilities									
Trade payables	205.58		205.58	202.78		202.78	161.87		161.87
Other payables	25.86		25.86	14.08		14.08	12.76		12.76
Borrowings	22.89		22.89	14.35		14.35	-		-
Other financial liabilities	80.17	80.75	160.92	30.04	53.95	83.99	21.13		21.13
Total- Financial Liabilities	334.50	80.75	415.25	261.25	53.95	315.20	195.76	-	195.76
Non Financial Liabilities									
Provisions		69.49	69.49		66.43	66.43		48.62	48.62
Deferred tax liabilities		21,013.76	21,013.76		20,307.78	20,307.78		19,926.05	19,926.05
Other non financial liabilities	24.78		24.78	36.15		36.15	26.75		26.75
Total-Non Financial Liabilities	24.78	21,083.25	21,108.03	36.15	20,374.21	20,410.36	26.75	19,974.67	20,001.42
Total Liabilities	359.28	21,164.00	21,523.28	297.40	20,428.16	20,725.56	222.51	19,974.67	20,197.18

Note: 41 Corporate Social Responsibility

The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from 1 April 2014. As per the provisions of the said section, the Company has undertaken the following CSR initiatives during the financial year 2019-20. CSR initiatives majorly includes supporting under privileged in medical treatments and various other charitable and noble aids.

- a) Accumulated amount required to be spent by the Company during the year Rs.107.52 lakhs (Previous year Rs.56.54 lakhs)
b) Amount spent during the year ended 31 March 2020 on :

(Amount in Lakhs)

Particulars	Total amount to be spent	Amount spent	Yet to spend
i) Construction/acquisition of any asset	-	-	-
ii) on purposes other than (a) above	107.52	77.00	30.52
Total	107.52	77.00	30.52

- c) Amount spent during the year ended 31 March 2019:

Particulars	Total amount to be spent	Amount spent	Yet to spend
i) Construction / acquisition of any asset	-	-	-
ii) on purposes other than (a) above	56.54	-	56.54
Total	56.54	-	56.54

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, FOR THE YEAR ENDED 31ST MARCH, 2020
Note: 42 Fair Value Measurement
(i) Accounting classification and fair values

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

The carrying value and fair value of financial instruments by categories as of 31 March 2020 are as follows:

(Amount in Lakhs)

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
31-Mar-20								
Financial assets								
Cash and cash equivalents	-	-	1,882.25	1,882.25	1,882.25			1,882.25
Bank balance other than cash and cash equivalents above	-	-	190.21	190.21	190.21			190.21
Receivables								-
(I) Trade receivables	-	-	293.89	293.89	293.89			293.89
(II) Other receivables	-	-	374.99	374.99	374.99			374.99
Loans	-	-	809.97	809.97	809.97			809.97
Investments	-	71,301.54	5,285.55	76,587.09	93,868.94	3,338.42		97,207.36
Other financial assets	-	-	6,100.46	6,100.46	6,100.46			6,100.46
Total financial assets	-	71,301.54	14,937.32	86,238.86	1,03,520.71	3,338.42	-	1,06,859.13

Financial liabilities

Payables								
(I) Trade payables								
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	205.58	205.58	205.58	-	-	205.58
(II) Other payables								
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	25.86	25.86	25.86	-	-	25.86
Borrowings (Other than debt securities)	-	-	22.89	22.89	22.89	-	-	22.89
Other financial liabilities	-	-	160.92	160.92	160.92	-	-	160.92
Total financial liabilities	-	-	415.25	415.25	415.25	-	-	415.25

The carrying value and fair value of financial instruments by categories as of 31 March 2019 are as follows:

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
31-Mar-19								
Financial assets								
Cash and cash equivalents	-	-	691.55	691.55	691.55			691.55
Bank balance other than cash and cash equivalents above	-	-	162.35	162.35	162.35			162.35
Receivables								-
(I) Trade receivables	-	-	113.74	113.74	113.74			113.74
(II) Other receivables	-	-	269.55	269.55	269.55			269.55
Loans	-	-	820.50	820.50	820.50			820.50
Investments	-	76,762.80	5,285.55	82,048.35	81,476.68	5,623.49		87,100.17
Other financial assets	-	-	585.30	585.30	585.30			585.30
Total financial assets	-	76,762.80	7,928.54	84,691.34	84,119.67	5,623.49	-	89,743.16

Financial liabilities

Payables								
(I) Trade payables								

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount in Lakhs)

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
31-Mar-19								
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	202.78	202.78	202.78	-	-	202.78
(II) Other payables								
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	14.08	14.08	14.08	-	-	14.08
Borrowings (Other than debt securities)	-	-	14.36	14.36	14.36	-	-	14.36
Other financial liabilities	-	-	83.99	83.99	83.99	-	-	83.99
Total financial liabilities	-	-	315.21	315.21	315.21	-	-	315.21

The carrying value and fair value of financial instruments by categories as of 1 April 2018 are as follows:

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
01-Apr-18								
Financial assets								
Cash and cash equivalents	-	-	792.98	792.98	792.98	-	-	792.98
Bank balance other than cash and cash equivalents above	-	-	107.33	107.33	107.33	-	-	107.33
Receivables								
(I) Trade receivables	-	-	91.62	91.62	91.62	-	-	91.62
(II) Other receivables	-	-	246.89	246.89	246.89	-	-	246.89
Loans	-	-	820.51	820.51	820.51	-	-	820.51
Investments	-	21,075.65	5,285.55	26,361.20	78,719.00	5,588.87	-	84,307.87
Other financial assets	-	-	403.99	403.99	403.99	-	-	403.99
Total financial assets	-	21,075.65	7,748.87	28,824.52	81,182.32	5,588.87	-	86,771.19

Financial liabilities								
Payables								
(I) Trade payables								
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	161.87	161.87	161.87	-	-	161.87
(II) Other payables								
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	12.76	12.76	12.76	-	-	12.76
Borrowings (Other than debt securities)	-	-	-	-	-	-	-	-
Other financial liabilities	-	-	21.13	21.13	21.13	-	-	21.13
Total financial liabilities	-	-	195.76	195.76	195.76	-	-	195.76

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, FOR THE YEAR ENDED 31ST MARCH, 2020

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investment in private equity funds, real estate funds.

ii Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include :

- Quoted equity investments - Quoted closing price on stock exchange
- Mutual fund - net asset value of the scheme
- Alternative investment funds - net asset value of the scheme
- Unquoted equity investments - NAV on the last audited financials available of the companies.
- Private equity investment fund - NAV of the audited financials of the funds.
- Real estate fund - net asset value, based on the independent valuation report or financial statements of the company income approach or market approach based on the independent valuation report.

iii. Financial instruments not measured at fair value

Financial assets not measured at fair value includes cash and cash equivalents, trade receivables, loans and other financial assets.

These are financial assets whose carrying amounts approximate fair value, due to their short-term nature.

Additionally, financial liabilities such as trade payables and other financial liabilities are not measured at FVTPL, whose carrying amounts approximate fair value, because of their short-term nature.

Fair value measurements using significant unobservable inputs (level 3)

Note 43: Tax Expense

The Company pays taxes according to the rates applicable in India. Most taxes are recorded in the income statement and relate to taxes payable for the reporting period (current tax), but there is also a charge or credit relating to tax payable for future periods due to income or expenses being recognised in a different period for tax and accounting purposes (deferred tax). The Company provides for current tax according to the tax laws of India using tax rates that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns in respect of situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities. Deferred tax is provided, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A deferred tax asset is recognised when it is considered recoverable and herefore recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying temporary differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The Taxation Laws (Amendment) Ordinance, 2019 contain substantial amendments in the Income Tax Act 1961 and the Finance (No.2) Act, 2019 to provide an option to domestic companies to pay income tax at a concessional rate. The Company has elected to opt the amended tax regime.

a) Income Tax recognised in Statement of Profit and Loss

Rupees in Lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Current tax:		
Current tax for the year	-	-
Minimum alternate tax	-	432.78
Tax adjustment in respect of earlier years	9.20	(0.04)
Total current tax expense	9.20	432.74

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS, FOR THE YEAR ENDED 31ST MARCH, 2020
Deferred tax :

Change in deferred tax liabilities/(assets)	(4,485.97)	(1,384.87)
Net deferred tax expense	(4,485.97)	(1,384.87)

b) Reconciliation of estimated Income tax expense reported in Statement of Profit and Loss

Rupees in Lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Profit / (loss) before tax	(1,228.01)	(1,114.29)
Applicable income tax rate	25.168%	34.944%
1. Expected income tax expense	(309.07)	(389.38)
Tax effect of adjustments to reconcile expected income tax expense at tax rate to reported income tax expense		
2. Impact of IndAS adjustments:		
-Net (Gain)/Loss in fair value changes	(356.92)	459.51
3. Effect of Other Income	32.76	48.24
4. Effect of Other Expenses	(67.77)	(43.47)
5. Effect of income Exempt from tax	(279.07)	(300.49)
Income Tax expenses (1+2+3+4+5)	(980.07)	(225.59)

Reported Tax Expenses

Current Tax (Income tax)	0.00	0.00
Minimum alternate tax (MAT)	0.00	432.78

44. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date

For and on behalf of the board

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

M.L. Puri
Partner
M. No. 009198

S.K. Agarwal
Managing Director
(DIN:00106763)

M. P. Mehrotra
Executive Vice Chairman
(DIN:00016768)

Place: New Delhi
Date: July 16 2020

K.K. Soni
Director-Finance & CFO
(DIN: 00106037)

H. Consul
Company Secretary
M. No A-11183

VLS SECURITIES LTD.

Regd. Off: 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi-110 065,
Ph: 011-4665 6666, Fax: 011-4665 6699
CIN: U74899DL1994PLC062123, email: vlssec@vlssecurities.com,
website: www.vlssecurities.com

Directors' Report

To the Members of VLS Securities Limited,

Your Directors are pleased to present the 26th Annual Report of your Company together with audited annual accounts for the year ended on 31st March, 2020. Due to Covid-19 pandemic, the annual general meeting of the Company, this year, will be held through video conferencing from the registered office.

Financial Summary

During the year under review, your Company generated revenue from operations of Rs. 508.02 lakhs as against Rs. 238.57 lakhs in the previous year. The other income stood at Rs. 3.68 lakhs for the year under review as against Rs. 1.65 lakhs in the previous year. The profit before tax of the Company stood at Rs. 222.08 lakhs for the year under review as against the loss of Rs. 120.36 lakhs in the preceding year. After providing for taxes, the Company has earned a net profit of Rs. 152.95 lakhs for the year under review compared to the loss of Rs. 183.63 lakhs in previous year. The total comprehensive income for the year under review stood at Rs. 25,564.51 lakhs as compared to the corresponding comprehensive income figure of Rs. 7,840.43 lakhs for the previous year.

Further, the Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards ('IND AS') as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013, read with relevant Rules issued thereunder and in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act in place of Indian Generally Accepted Accounting Principles ('IGAAP') followed by the Company till 31/03/2019. The transition and impact from IGAAP to IND AS for the annual accounts was considered from 01/04/2018 as per terms of the initial IND AS applicability and the annual accounts for the period 2018-19 has been recast for comparison purposes.

Dividend/Reserves

In order to conserve resources, no dividend has been recommended and no amount has been proposed to be transferred to General Reserve.

Operations

Your Company earned brokerage of Rs. 52.74 lakhs during the year under review, as compared to Rs. 35.99 lakhs earned during the previous year. The Company is continuing its efforts to increase its retail broking business.

The Company is a Trading and Clearing Member in cash segment of The National Stock Exchange of India Ltd. ('NSE') and also a Trading Member of NSE in future & Option segment. It is also a registered Merchant banker with Securities & Exchange Board of India.

Future Outlook

The stock markets have been very volatile due to the Covid-19 pandemic this year. The Company is optimistic that the markets will stabilize. The Company is engaged in looking for new possibilities. The Merchant Banking Division of the Company is continuing to explore possibilities of making inroads in consultancy and similar fee based services.

Directors/Key Managerial Personnel

Directors

There was no change in the Board during the year under review. The Company has complied with the relevant provisions with respect to constitution of the Board during the year under review.

Shri Kishan Kumar Soni (DIN: 00106037) and Ms. Divya Mehrotra (DIN: 00006494) will be retiring by rotation at the ensuing 26th Annual General Meeting of your Company and being eligible, offer themselves for re-appointment. Concurring to recommendation of Nomination and Remuneration Committee of the Company, your Directors recommend their re-appointment.

Key Managerial Personnel

There was no change in the Key Managerial Personnel of your Company during the year under review.

Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3) of the Companies Act, 2013('Act') with respect to Directors' Responsibility statement, it is hereby confirmed that:

- in preparation of annual accounts for the financial year ended 31st March 2020, the applicable accounting standards had been followed;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- the directors had taken proper and sufficient care for the maintenance of proper 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;
- the Directors had prepared the annual accounts for the financial year ended 31st March, 2020 on a going concern basis;
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Financial Control Systems

The Company has in place proper and adequate systems of internal control, to monitor proper recording of transactions authorized according to policies and procedures laid down by the Company. The Company ensures that all regulatory guidelines are being complied with at all levels.

Meetings of Board of Directors

During the year, 4 Board meetings were held on 06/05/2019, 27/07/2019, 16/11/2019 and 10/02/2020 respectively.

Details of meetings attended by the Directors in the relevant period are as below:

S. No.	Name of the Director	Whether Chairman / Member	No. of meetings attended during F. Y. 2019-20 & Dates
1	Dr. Rajeev Lochan Bishnoi	Chairman	3 06/05/2019 16/11/2019 10/02/2020
2	Shri Rajendra Kumar Goswami	Member	4 06/05/2019 27/07/2019 16/11/2019 10/02/2020
3	Shri Kishan Kumar Soni	Member	3 06/05/2019 27/07/2019 16/11/2019
4	Shri Tej Bhan Gupta	Member	4 06/05/2019 27/07/2019 16/11/2019 10/02/2020
5	Shri Suresh Kumar Agarwal	Member	4 06/05/2019 27/07/2019 16/11/2019 10/02/2020
6	Shri Vikas Mehrotra	Member	4 06/05/2019 27/07/2019 16/11/2019 10/02/2020
7	Ms. Divya Mehrotra	Member	3 27/07/2019 16/11/2019 10/02/2020

As per the provisions of Section 178 of Companies Act, 2013, the Board carried out annual evaluation of each Director's performance in its meeting held on 14th July, 2020.

Audit Committee

During the year, 3 meetings of the Audit Committee were held on 06/05/2019, 16/11/2019 and 10/02/2020. The Audit Committee comprised Dr. Rajeev Lochan Bishnoi, Shri Rajendra Kumar Goswami - Independent Directors and Shri Kishan Kumar Soni - Director and there were no changes in the composition of the Committee during the year. Shri Goswami is the Chairman of the Committee. All the recommendations made by the Committee were accepted by the Board in entirety.

Details of meetings attended by the Audit Committee Members in the relevant period are as below:

S. No.	Name	Chairman / Member	No. of meetings attended during F.Y. 2019-20 & Dates
1	Shri Rajendra Kumar Goswami	Member	3 06/05/2019 16/11/2019 (Chaired) 10/02/2020 (Chaired)
2	Shri Kishan Kumar Soni	Member	2 06/05/2019 16/11/2019
3	Dr. Rajeev Lochan Bishnoi	Member	3 06/05/2019 (Chaired) 16/11/2019 10/02/2020

Nomination and Remuneration Committee ('NRC')

During the year, 1 meeting of the Nomination and Remuneration Committee was held on 06/05/2019. The Nomination and Remuneration Committee consisted of Dr. Rajeev Lochan Bishnoi, Shri Rajendra Kumar Goswami and Shri Kishan Kumar Soni. Shri Soni is the Chairman of the Committee and there were no changes in the composition of the Committee during the year. All the recommendations of the Committee were accepted by the Board in entirety.

Details of meetings attended by the NRC Committee Members in the relevant period are as below:

S. No.	Name of the Director	Whether Chairman / Member	No. of meetings attended during F. Y. 2019-20 & Dates
1	Shri Kishan Kumar Soni	Chairman	1 06 May, 2019
2	Shri Rajendra Kumar Goswami	Member	1 06 May, 2019
3	Dr. Rajeev Lochan Bishnoi	Member	1 06 May, 2019

Board Evaluation

The aim of the Board's evaluation was to assess the effectiveness of the Directors, Board's and Committee's composition, processes and arrangement in order to identify and realize any actions required to improve effectiveness. The evaluation process comprised of Board, Committee and management information and other relevant documentation, Meetings with key individuals within the organization and discussions with all members of Board of Directors, Committee members focusing on aspects of the Board's and Committee's composition; strategy, risk and controls; decision-making, roles and performance of the Chairman, independent directors, executive directors and other non-executive directors.

The evaluation concluded that in overall, the Directors, Board and its Committees were effective. As Corporate Governance continues to advance and evolve, the recommendations were provided by the Directors so that the Board and its Committees remained fully effective. The Board and its Committees has considered the recommendations for appropriate implementation.

Independent Directors

Your Company has two Independent Directors namely, Dr. Rajeev Lochan Bishnoi and Shri Rajendra Kumar Goswami. They have confirmed to the Company that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

The Independent Directors carried out the evaluation of performance of Non-Independent Directors and the Board as a whole in Board of Directors meeting held on 10th February, 2020 as per Schedule IV of Companies Act, 2013. The evaluation of the Chairman of the Company was carried out by the Board of Directors in its meeting held on 10/02/2020.

Annual Return Extract

The extract of the Annual Return in form MGT-9 is enclosed as **Annexure-A** to this report.

Related Party

The details of the related party transactions have been provided in Form AOC-2 as under:

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis

Sl. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	NONE
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts / arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any:	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis

Sl. No.	Particulars	Details
a)	Name(s) of the related party	VLS Finance Ltd.
b)	Nature of relationship	Holding Company
c)	Nature of contracts/ arrangements/ transactions	1. Client for stock trading 2. Usage of office Services

Sl. No.	Particulars	Details
d)	Duration of the contracts / arrangements/ transactions	1. Perpetual unless rescinded 2. Perpetual unless rescinded
e)	Salient terms of the contracts or arrangements or transactions	1. As per stock Exchange regulations 2. Reimbursement of expenses for services on actual basis.
f)	Justification for entering into such contracts or arrangements or transactions	1. In ordinary course of business for revenue generation. 2. In ordinary course of business for facilitating operations.
g)	date(s) of approval by the Board	Not applicable for points 1 and 2 of serial no 'c' above, since entered into prior to enforcement of provisions of section 188 of Companies Act, 2013.
h)	Amount paid during the year	Please refer note no. 30 of notes forming part of financial statements for details.

Anti-sexual harassment mechanism

The detailed mechanism may be accessed at www.vlssecurities.com

The Company has in place an anti-sexual harassment policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All women employees, if any, inter-alia (permanent, contractual, temporary, trainees) are covered under this policy.

The Internal Complaints Committee is presently headed by a Woman Director on the Board of the holding company. There were no complaints received from any employee or otherwise during the year under review and no complaints were pending as on 31/03/2020. Further, there were no women employee in the Company during the year under review.

Risk Management Policy

The Company has developed and implemented a risk management policy for identification therein of elements of risk which in the opinion of the Board may threaten the existence of the Company. The policy of the company is available on Company's website viz. www.vlssecurities.com.

Nomination and Remuneration Policy

The Company has adopted a Nomination and Remuneration Policy. The Nomination and Remuneration Committee ('NRC') is responsible for identifying persons who are qualified to become directors and who may be appointed to the senior management of the Company. This Policy is intended to provide a more detailed criteria to be followed for such appointments including training of Independent Directors. There has been no change in the Policy during the year. The policy can be accessed at www.vlssecurities.com.

Auditors

In terms of Section 139 read with Companies (Audit and Auditors) Rules, 2014 M/s. Anil Pariek & Garg-Chartered Accountants, (FRN: 0676C) had been appointed

as Statutory Auditors for a period of 5 years i.e. till the conclusion of 28th Annual General Meeting of the Company to be held in the year 2022. The remuneration of the Auditors shall be as determined by the Board of Directors of the Company in consultation with the Audit Committee, according to the resolution passed in the 24th Annual General Meeting authorizing Board of Directors to determine the same on yearly basis for the remaining tenure of Auditors. The Statutory Auditors have given their consent and confirmation about their eligibility for continuing as Statutory Auditors of the Company for the current year.

Auditors' Report

The Auditors' Report to the members on annual accounts for the year under review does not contain any qualification or remark requiring explanation thereto by the Board.

Deposits

During the year under review, the Company has not taken or held any fixed deposit within the meaning of section 73 of the Companies Act, 2013 and the rules made there under.

Subsidiary

The Company does not have any subsidiary.

Green Initiative in Corporate Governance:

As a continuing endeavor towards the 'Go Green' initiative the Company proposes to send future correspondence and documents like the notice calling the general meeting, audited financial statements, directors' report, auditors' report etc. in electronic form, to the email address provided by the members. You may kindly note that as a member of the Company, you will be entitled to be furnished, free of cost, a printed copy of the annual report of the Company, upon receipt of a requisition from you, at any time.

Statutory Disclosures

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 and forming part of Directors' Report for the year ended 31st March, 2020.

Conservation of Energy

- a) Energy conservation measure taken : Nil
b) Proposals under implementation for reduction in consumption of energy : Nil

Technology Absorption

- a) Research and development : Nil
b) Technology absorption, adoption and innovation : Nil

Foreign Exchange Earnings and Outgo

- a) Foreign Exchange Earned : Nil
b) Foreign Exchange Used : Nil

None of the employees of the Company are in receipt of remuneration in excess of limits specified in Section 134(3) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended. There are no disclosures which are required to be made in this report, in terms of the aforesaid regulations.

The Company has complied with SEBI (Stock Brokers and Sub Brokers) Regulations 1992, SEBI (Merchant Bankers) Regulations, 1992 and other applicable laws / regulations, as amended. There was no proposal during the year under review for buy back of shares by the Company.

Your Company's principal business is stock broking and investing in securities; hence Section 186 of the Act is not applicable (Sec.186 (11)).

Your Company has not issued any equity shares with differential voting rights or under ESOP. (Sec.43(a), 62(1)(b))

Your Company has not approved any scheme relating to provision of money to be held in a trust for the benefit of the employees. (Sec. 67(3)(b))

No revision of Financial Statements or Board's Report has been made. (Sec.131(1))

No Independent Director had been appointed by a special resolution by the Company during the year under review.

The Managing Director of your Company is also the Managing Director of VLS Finance Ltd.- the holding company and receives remuneration from the holding company. (Sec.197(14))

There has been no change in the nature of business and name of Company during the year under review.

There had been no significant and material orders passed by regulatory authorities/ court that would impact the going concern status of the Company and its future operations.

The provisions relating to Corporate Social Responsibility, Secretarial Audit and Cost Audit are not applicable to the Company for the financial year under review.

Human Resources

The relationship with the employees continued to be cordial during the year. The Directors place on record their sincere appreciation to the employees at all levels. The number of employees stood at 9 (nine) as on 31/03/2020.

Acknowledgements

The Board takes this opportunity to place on record their sincere appreciation for all round co-operation and support from The National Stock Exchange of India Ltd., the regulatory authorities, clients, bankers and associates.

For and on behalf of the Board of Directors

Place : New Delhi
Date : 14/07/2020

(S.K. Agarwal)
Managing Director
DIN: 00106763

(K.K. Soni)
Director
DIN: 00106037

Annexure-A

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
for the financial year ended 31.03.2020**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U74899DL1994PLC062123
ii	Registration Date	13/10/1994
iii	Name of the Company	VLS Securities Limited
iv	Category/Sub-category of the Company	Public Limited Company
v	Address of the Registered office & contact details	2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi-110065 Phone Nos. 011-46656666, Fax 011-46656699
vi	Whether listed company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Stock Broking, trading and investment	99717020	100.00

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	VLS Finance Ltd. 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi- 110065	L65910DL1986PLC023129	Holding	99.67	2(46)

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)
(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 1-04-2019				No. of Shares held at the end of the year 31-03-2020				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	600	600	0.002%	0	600	600	0.002%	0.000%
b) Central Govt.or State Govt.	0	0	0	0.000%	0	0	0	0.000%	0.000%
c) Bodies Corporates	0	29899400	29899400	99.665%	0	29899400	29899400	99.665%	0.000%
d) Bank/FI	0	0	0	0.000%	0	0	0	0.000%	0.000%
e) Any other	0	0	0	0.000%	0	0	0	0.000%	0.000%
SUB TOTAL:(A) (1)	0	29900000	29900000	99.667%	0	29900000	29900000	99.667%	0.000%
(2) Foreign									
a) NRI- Individuals	0	0	0	0.000%	0	0	0	0.000%	0.000%
b) Other Individuals	0	0	0	0.000%	0	0	0	0.000%	0.000%
c) Bodies Corp.	0	0	0	0.000%	0	0	0	0.000%	0.000%
d) Banks/FI	0	0	0	0.000%	0	0	0	0.000%	0.000%
e) Any other...	0	0	0	0.000%	0	0	0	0.000%	0.000%
SUB TOTAL (A) (2)	0	0	0	0.000%	0	0	0	0.000%	0.000%
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	0	29900000	29900000	99.667%	0	29900000	29900000	99.667%	0.000%
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.000%	0	0	0	0.000%	0.000%
b) Banks/FI	0	0	0	0.000%	0	0	0	0.000%	0.000%
c) Central govt	0	0	0	0.000%	0	0	0	0.000%	0.000%
d) State Govt.	0	0	0	0.000%	0	0	0	0.000%	0.000%
e) Venture Capital Fund	0	0	0	0.000%	0	0	0	0.000%	0.000%
f) Insurance Companies	0	0	0	0.000%	0	0	0	0.000%	0.000%
g) FIIS	0	0	0	0.000%	0	0	0	0.000%	0.000%
h) Foreign Venture Capital Funds	0	0	0	0.000%	0	0	0	0.000%	0.000%
i) Others (specify)	0	0	0	0.000%	0	0	0	0.000%	0.000%
SUB TOTAL (B)(1):	0	0	0	0.000%	0	0	0	0.000%	0.000%
(2) Non Institutions									
a) Bodies corporates									
i) Indian	0	100000	100000	0.333%	0	100000	100000	0.333%	0.000%
ii) Overseas	0	0	0	0.000%	0	0	0	0.000%	0.000%
b) Individuals	0	0	0	0.000%	0	0	0	0.000%	0.000%
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0.000%	0	0	0	0.000%	0.000%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0.000%	0	0	0	0.000%	0.000%
c) Others (specify)				0.000%					
a) NRI / OCB	0	0	0	0.000%	0	0	0	0.000%	0.000%
b) Foreign National	0	0	0	0.000%	0	0	0	0.000%	0.000%
c) Clearing Member	0	0	0	0.000%	0	0	0	0.000%	0.000%
d) LLP	0	0	0	0.000%	0	0	0	0.000%	0.000%
e) Trust	0	0	0	0.000%	0	0	0	0.000%	0.000%
SUB TOTAL (B)(2):	0	100000	100000	0.333%	0	100000	100000	0.333%	0.000%
Total Public Shareholding (B)= (B)(1)+(B)(2)	0	100000	100000	0.333%	0	100000	100000	0.333%	0.000%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.000%	0	0	0	0.000%	0.000%
Grand Total (A+B+C)	0	30000000	30000000	100.000%	0	30000000	30000000	100.000%	0.000%

(ii) SHAREHOLDING OF PROMOTERS

SI No.	Shareholders Name	Shareholding at the beginning of the year 1-04-2019			Shareholding at the end of the year 31-03-2020			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Shri M. P. Mehrotra*	100	0.0003%	0.00	100	0.0003%	0.00	0.0000%
2	Ms. Divya Mehrotra*	100	0.0003%	0.00	100	0.0003%	0.00	0.0000%
3	Shri Harsh Consul*	100	0.0003%	0.00	100	0.0003%	0.00	0.0000%
4	Shri Vikas Mehrotra*	100	0.0003%	0.00	100	0.0003%	0.00	0.0000%
5	Shri Ramji Mehrotra*	100	0.0003%	0.00	100	0.0003%	0.00	0.0000%
6	Shri K. K. Soni*	100	0.0003%	0.00	100	0.0003%	0.00	0.0000%
7	VLS Finance Ltd.	29899400	99.6647%	0.00	29899400	99.6647%	0.00	0.0000%
	Total	29900000	99.6667%	0.00	29900000.00	99.6667%	0.00	0.0000%

* Shares held as nominee of VLS Finance Ltd. the holding Company.

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

SI. No.	Shareholders Name	Date	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
	VLS Finance Ltd.					
	At the beginning of the year	01/04/2019	29899400	99.665%	29899400	99.665%
	At the end of the year	31/03/2020	29899400	99.665%		

There is no change in promoter shareholding.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

SI. No	For Each of the Top 10 Shareholders	Date	Shareholding at the end 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	VLS Capital Ltd.					
	At the beginning of the year	01/04/2019	100000	0.3333%	100000	0.3333%
	At the end of the year	31/03/2020	100000	0.3333%		

(v) Shareholding of Directors & KMP

SI. No	For Each of the Directors & KMP	Date	Shareholding at the end 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	Shri K. K. Soni (Director)*					
	At the beginning of the year	01/04/2019	100	0.0003%	100	0.0003%
	At the end of the year	31/03/2020	100	0.0003%		
2	Ms. Divya Mehrotra (Director)*					
	At the beginning of the year	01/04/2019	100	0.0003%	100	0.0003%
	At the end of the year	31/03/2020	100	0.0003%		
3	Shri Vikas Mehrotra (Director)*					
	At the beginning of the year	01/04/2019	100	0.0003%	100	0.0003%
	At the end of the year	31/03/2020	100	0.0003%		

* Shares held as nominee of VLS Finance Ltd. the holding Company.

V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	0	0.00	0.00
ii) Interest due but not paid	0	0	0.00	0.00
iii) Interest accrued but not due	0	0	0.00	0.00
Total (i+ii+iii)	0	0	0.00	0.00
Change in Indebtedness during the financial year				
Additions	0	0	0.00	0.00
Reduction	0	0	0.00	0.00
Net Change	0	0	0.00	0.00
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0.00	0.00
ii) Interest due but not paid	0	0	0.00	0.00
iii) Interest accrued but not due	0	0	0.00	0.00
Total (i+ii+iii)	0	0	0.00	0.00

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole time director and/or Manager:

SI.No	Particulars of Remuneration	Name of the MD/WTD/ Manager	Total Amount
1	Gross salary	Mr S. K. Agarwal-MD	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.		0.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961		0.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		0.00
2	Stock option		0.00
3	Sweat Equity		0.00
4	Commission		
	1. as % of profit		0.00
	2. others (specify)		0.00
5	Others, please specify		0.00
	Total (A)		0.00
	Ceiling as per the Act per annum		8400000.00

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors			
1	Independent Directors	Shri R. K. Goswami	Dr. R. L. Bishnoi		
	(a) Fee for attending board committee meetings	32500.00	27500.00		
	(b) Commission	0.00	0.00		
	(c) Others, please specify	0.00	0.00		
	Total (1)	32500.00	27500.00		
2	Other Non Executive Directors				
	Non Independent Directors	Shri K. K. Soni	Shri T. B. Gupta	Shri Vikas Mehrotra	Ms. Divya Mehrotra
	(a) Fee for attending board committee meetings	0.00	0.00	20000.00	15000.00
	(b) Commission	0.00	0.00	0.00	0.00
	(c) Others, please specify.	0.00	0.00	0.00	0.00
	Total (2)	0.00	0.00	20000.00	15000.00
	Total (B)=(1+2)	32500.00	27500.00	20000.00	15000.00
	Total Managerial Remuneration	N.A.	N.A.	N.A.	N.A.
	Overall Ceiling as per the Act. Per meeting			100000.00	

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1	Gross Salary	CEO	Shri IJS Aujla	Shri Anurag Bhatnagar	Total
			Company Secretary	CFO	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N. A.	0.00	2115060.00	2115060.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N. A.	0.00	54000.00	54000.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N. A.	0.00	0.00	0.00
2	Stock Option	N. A.	0.00	0.00	0.00
3	Sweat Equity	N. A.	0.00	0.00	0.00
4	Commission	N. A.	0.00	0.00	0.00
	as % of profit	N. A.	0.00	0.00	0.00
	others, specify	N. A.	0.00	0.00	0.00
5	Others, please specify	N. A.	0.00	2169060.00	2169060.00
	Total	N. A.	0.00	2169060.00	2169060.00

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	*	*	*	*	*
Punishment	*	*	*	*	*
Compounding	*	*	*	*	*
B. DIRECTORS					
Penalty	*	*	*	*	*
Punishment	*	*	*	*	*
Compounding	*	*	*	*	*
C. OTHER OFFICERS IN DEFAULT					
Penalty	*	*	*	*	*
Punishment	*	*	*	*	*
Compounding	*	*	*	*	*

* No Penalty, punishment imposed or compounding undertaken by the company or Directors or other officers in default during the year under review.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF VLS SECURITIES LIMITED**
**Report on the Audit of the Standalone Financial Statements
Opinion**

We have audited the accompanying standalone financial statements of **VLS SECURITIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, its profit including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in

accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, Annexure to Annual return in Form MGT-9, and directors' responsibility statement included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the 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 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.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

The Board of Directors are 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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 Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. 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 and records as specified in Rule 15 of the Securities Contracts (Regulation) Rule, 1957 and as required by other laws 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, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. The stock broker has complied with the requirements of the stock exchange so far as they relate to maintenance of accounts and was regular in submitting the required accounting information to the stock exchange.
- e. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules thereon;
- f. 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;
- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- h. With respect to the others matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- i. With respect to the other matters to be included in the Auditor's 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 does not have any pending litigations which would impact its financial position;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For ANIL PARIK & GARG
Chartered Accountants
FRN: 001676c

Place: Kanpur
Date: 14 JUL 2020
UDIN: 20070250AAAAHZ8513

H.K.Parik
(Partner)
M. NO.: 070250

Annexure – 'A' to The Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of VLS SECURITIES LIMITED of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) All Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties are held in the name of the Company.
- (ii) The Company's business does not involve inventories and accordingly, the requirements under the paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, 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. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, by the Company.

- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, value added tax, goods and services tax, duty of custom, cess and other material statutory dues applicable to it. The provisions relating to wealth tax, and duty of excise are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, value added tax, goods and services tax, duty of custom, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company 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 and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in notes to financial statements, as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under Section 45-IA of the Reserve Bank of India Act, 1934.

For ANIL PARIK & GARG
Chartered Accountants
FRN: 001676c

Place: Kanpur
Date: 14 JUL 2020

H.K.Pariak
(Partner)
M. NO.: 070250

ANNEXURE B to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of VLS SECURITIES LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (f) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **VLS SECURITIES 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 Companies Act, 2013.

Auditors' 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 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 standalone 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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, to the best of our information and according to the explanations given to us, 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.

For ANIL PARIK & GARG
Chartered Accountants
Firm's Registration No. 001676c

Place: Kanpur
Date: 14 JUL 2020

H.K. Pariak
(Partner)
Membership NO.: 070250

Balance Sheet as at 31st March, 2020

(Amount Rs. in Lakh)

Particulars	Note No.	As at 31-Mar-20	As at 31-Mar-19	As at 1-Apr-18
ASSETS				
(1) Financial Assets				
(a) Cash and cash equivalents	4	83.92	877.83	496.16
(b) Bank Balance other than (a) above		-	-	-
(c) Receivables	5			
(I) Trade Receivables		-	-	-
(II) Other Receivables		-	-	-
(d) Loans	6	6.63	8.79	12.08
(e) Investments	7	98,530.49	64,561.12	54,546.43
(f) Other Financial assets	8	1,279.11	1,017.57	891.19
Sub - total financial assets (A)		<u>99,900.15</u>	<u>66,465.31</u>	<u>55,945.86</u>
(2) Non-financial Assets				
(a) Current tax assets (Net)	9	1.72	11.10	11.69
(b) Deferred tax assets (Net)		-	-	-
(c) Investment Property		-	-	-
(d) Property, Plant and Equipment	10	2.72	1.14	1.39
(e) Intangible assets under development		-	-	-
(f) Other Intangible assets	10	0.00	0.00	0.00
(f) Other non-financial assets	11	6.45	9.43	3.37
Sub - total non - financial assets (B)		<u>10.89</u>	<u>21.67</u>	<u>16.45</u>
(3) Assets held for sale (C)		-	-	-
Total Assets(A+B+C)		<u>99,911.04</u>	<u>66,486.98</u>	<u>55,962.31</u>
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial Liabilities				
(a) Payables				
(I) Trade Payables	12	-	-	-
(i) total outstanding dues of micro enterprises and smal enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		23.03	766.64	339.85
(II) Other Payables				
(i) total outstanding dues of micro enterprises and smal enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
(b) Debt Securities		-	-	-
(c) Borrowings (Other than Debt Securities)		-	-	-
(d) Deposits		-	-	-
(e) Other financial liabilities		-	-	-
Sub - total financial liabilities (A)		<u>23.03</u>	<u>766.64</u>	<u>339.85</u>
(2) Non-Financial Liabilities				
(a) Current tax liabilities (Net)		-	-	-
(b) Provisions	13	11.15	10.46	16.24
(c) Deferred tax liabilities (Net)	14	21,968.87	13,364.80	11,103.76
(d) Other non-financial liabilities	15	5.35	6.95	4.80
Sub - total non - financial liabilities (B)		<u>21,985.37</u>	<u>13,382.21</u>	<u>11,124.80</u>
(3) Liabilities towards assets held for sale (C)		-	-	-
(4) EQUITY				
(a) Equity Share capital	16	3,000.00	3,000.00	3,000.00
(b) Other Equity	17	74,902.64	49,338.13	41,497.66
Sub - total equity (D)		<u>77,902.64</u>	<u>52,338.13</u>	<u>44,497.66</u>
Total Liabilities and Equity (A+B+C+D)		<u>99,911.04</u>	<u>66,486.98</u>	<u>55,962.31</u>

ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1-43

As per our report of even date attached

For Anil Pariek and Garg
(F.R.N.01676C)
Chartered Accountants

H. K. Pariek
(Partner)
Membership No. 070250

Place: Kanpur (U.P.)
Date: 14/07/2020

For and on behalf of the Board

S. K. Agarwal
Managing Director
DIN:00106763

K. K. Soni
Director
DIN:00106037

Anurag Bhatnagar
C.F.O.
PAN: AAJPB6607R
Place: New Delhi
Date: 14/07/2020

IJS Aujla
Company Secretary
M.No.: A34144

Statement of Profit and Loss For the year ended 31st March, 2020

(Amount Rs. in Lakh)

Particulars	Note No.	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Revenue from operations			
(i) Interest Income	18	69.93	53.51
(ii) Dividend Income	19	366.34	137.52
(iii) Rental Income		-	-
(iv) Fees and commission Income	20	-	-
Brokerage and fees income		52.74	35.99
Other commission income		-	-
(v) Net gain on fair value changes		-	-
(vi) Trading in Share/Securities (Net)	21	19.01	11.55
(1) Total Revenue from operations		508.02	238.57
(2) Other Income	22	3.68	1.65
(3) Total Income (1+2)		511.70	240.22
Expenses			
(i) Finance Costs		-	-
(ii) Fees and commission expense	23	11.85	10.91
(iii) Net Loss on Fair Value Changes	24	203.47	270.06
(iv) Employee benefits expense	25	58.73	66.96
(v) Depreciation, amortization and impairment	26	0.70	0.25
(vi) Others expenses	27	14.87	12.40
(4) Total Expenses (4)		289.62	360.58
(5) Profit / (loss) before tax (3-4)		222.08	(120.36)
Tax expense / (credit):			
(i) Current tax		12.56	-
(ii) Deferred tax expense / (credit)		56.57	57.01
(iii) Minimum alternate tax credit entitlement		-	-
(iv) Short provision for earlier years		-	6.26
(6) Total tax expenses		69.13	63.27
(7) Profit / (loss) for the period from continuing operations(5-6)		152.95	(183.63)
Profit/(loss) from discontinuing operations before tax		-	-
Tax on discontinuing operations		-	-
(8) Profit/(loss) from discontinued operations		-	-
(9) Profit/(loss) for the year (7+8)		152.95	(183.63)
Other comprehensive income / (loss)			
(i) Items that will not be reclassified subsequently to the profit or loss		-	-
(a) Remeasurement of defined employee benefit plans		2.26	0.92
(b) Net changes in fair values of investments in equity shares carried at fair value through OCI		33,956.80	10,227.18
(ii) Income tax on items that will not be reclassified subsequently to the profit or loss		(8,547.50)	(2,204.04)
(10) Other comprehensive income / (loss)		25,411.56	8,024.06
(11) Total comprehensive income for the year (9 +10)		25,564.51	7,840.43
Earnings per equity share (for continuing operations)	28		
Basic (Rs.)		0.51	(0.61)
Diluted (Rs.)		0.51	(0.61)

ACCOMPANYING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1-43

As per our report of even date attached

For Anil Pariek and Garg

(F.R.N.01676C)

Chartered Accountants

H. K. Pariek

(Partner)

Membership No. 070250

Place: Kanpur (U.P.)

Date: 14/07/2020

For and on behalf of the Board

S. K. Agarwal

Managing Director

DIN:00106763

Anurag Bhatnagar

C.F.O.

PAN: AAJPB6607R

Place: New Delhi

Date: 14/07/2020

K. K. Soni

Director

DIN:00106037

IJS Aujia

Company Secretary

M.No.: A34144

Cash Flow Statement For the period ended 31st March, 2020

(Amount Rs. in Lakh)

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	222.08	(120.36)
Adjustment for:		
Depreciation	0.70	0.25
Interest Income	(69.93)	(53.51)
Dividend Income	(366.34)	(137.52)
Operating profit	(435.57)	(190.78)
Adjustment for working capital changes	(213.49)	(311.14)
1) Provision for Employee Benefits	0.69	(5.78)
2) Increase / (decrease) in borrowings	-	-
3) Increase / (decrease) in other financial liabilities	-	-
4) Increase / (decrease) in trade payables	(743.60)	426.79
5) (Increase) / decrease in loans	2.15	3.29
6) Increase / (decrease) in debt securities	-	-
7) (Increase) / decrease in other non financial liabilities	(1.60)	2.14
8) (Increase) / decrease in other financial assets	(261.54)	(126.38)
9) (Increase) / decrease in other non financial assets	2.98	(6.05)
10) (Increase) / decrease in trade receivables	-	-
11) (Increase) / decrease in current tax assets	-	-
	9.38	0.59
Cash generated / (used) from operations	(1,205.03)	(16.54)
Direct taxes paid net	12.56	-
Net cash generated / (used) from operating activities (A)	(1,217.59)	(16.54)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Investments	(14.87)	207.18
Purchase of Property, plant and equipment	2.28	-
Sale of Property, plant and equipment	-	-
Interest received on fixed deposits	69.93	53.51
Dividend Income	366.34	137.52
Net cash generated / (used) from investing activities (B)	423.68	398.21
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issued of equity shares	-	-
Premium on issue of equity shares	-	-
Dividend paid (including Dividend distribution tax)	-	-
Proceeds of deposits received	-	-
Interest expense	-	-
Net cash generated / (used) from financing activities (c)	-	-
Net increase / (decrease) in cash and cash equivalents during the year (A + B + c)	(793.91)	381.67
Cash and cash equivalents as at beginning of the year	877.83	496.16
Cash and cash equivalents as at end of the year :	83.92	877.83
Cash in hand	0.13	0.21
Scheduled bank - in current account	83.79	777.62
Fixed Deposit with Banks	-	-
Scheduled Bank - Unpaid Dividend Account	-	-
Liquid Funds	-	100.00
Total	83.92	877.83
Reconciliation of cash and cash equivalents as above with cash and bank balances (also refer note no. 4 and 5)		
Cash and cash equivalents as at end of the year as per above	83.92	877.83
Add:- Fixed deposit with banks	-	-
Add:- Unpaid dividend account	-	-
Total cash and bank balances equivalents as at end of the year	83.92	877.83

Note forming part of the financial statements

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As per our report of even date attached

For and on behalf of the Board
For Anil Pariek and Garg
 (F.R.N.01676C)
 Chartered Accountants

H. K. Pariek
 (Partner)
 Membership No. 070250

S. K. Agarwal
 Managing Director
 DIN:00106763

K. K. Soni
 Director
 DIN:00106037

 Place: Kanpur (U.P.)
 Date: 14/07/2020

Anurag Bhatnagar
 C.F.O.
 PAN: AAJPB6607R
 Place: New Delhi
 Date: 14/07/2020

IJS Aujla
 Company Secretary
 M.No.: A34144

Note 1: Corporate information

VLS Securities Ltd., is a subsidiary of VLS Finance Ltd. incorporated in 1994. It is Category-I Merchant Banker registered with Securities and Exchange Board of India. It is registered Stock Broker with National Stock Exchange of India Ltd., in Capital Market and Future & Options Segment. Besides above providing consulting and advisory services are areas of activity of Company.

Note 2: Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation
(i) Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

For periods up to and including the year ended March 31, 2019, the Company presented its financial statements on accrual basis under historical cost convention, and conform in all material aspects to the Generally Accepted Accounting Principles in India ('Indian GAAP' or 'previous GAAP') which encompasses applicable accounting standards relevant provisions of the Companies Act, 2013, the applicable guidelines issued by the SEBI and Reserve Bank of India (RBI) for Non-Banking Financial Companies, other statutory provisions and regulatory framework.

These financial statements for the year ended 31 March 2020 are the first financial statements of the Company under Ind AS. Refer Note 37 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The transition to Ind AS has been carried out in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards". Accordingly, the impact of transition has been recorded in the opening reserves as at 1 April 2018.

The financial statements have been prepared using the significant accounting policies and measurement bases summarized as below. These accounting policies have been applied consistently over all the periods presented in these financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain Financial instruments are measured at fair value.
- Assets held for sale – measured at fair value less cost to sell.

(iii) Preparation of financial statements

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division III of Schedule III to the Companies Act, 2013 on 11 October 2013, the Company presents the Balance Sheet, the Statement of Profit and

Loss and the Statement of Changes in Equity in the order of liquidity.

iv) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognized in the period in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods. The estimates and judgments that have significant impact on carrying amount of assets and liabilities at each balance sheet date are discussed at note 3.

2.2 Revenue Recognition

The Company recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognized when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur. Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation. The Company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

(i) Brokerage fee income

It is recognized on trade date basis and is exclusive of goods and service tax and securities transaction tax (STT) wherever applicable.

(ii) Interest income

Interest income from financial assets is recognized on an accrual basis.

(iii) Dividend income

Dividend income is recognized in the statement of profit or loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET FOR THE YEAR ENDED 31.3.2020.

(Currency: Indian Rupees)

amount of dividend can be reliably measured. This is generally when the shareholders approve the dividend.

(iv) Gain / losses on dealing in securities

Gains / losses on dealing in securities are recognized on a trade date basis.

2.3 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current Tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.4 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and

financing activities of the Company are segregated in the Cash flow statement.

2.6 Financial instruments

Initial recognition and measurement:

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognized for financial assets measured at amortized cost.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognizes the difference as follows:

- a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognized as a gain or loss.
- b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortized over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realized through settlement.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognized in profit or loss.

Fair value of financial instruments:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purpose. 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.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 33.

Financial assets

(i) classification and subsequent measurement

The Company has applied Ind AS 109 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET FOR THE YEAR ENDED 31.3.2020.

(Currency: Indian Rupees)

1. Financial assets carried at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

2. Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as revenue from operations in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVTOCI. Fair value changes excluding dividends, on an equity instrument measured at FVTOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'Revenue from operations' in the Statement of Profit and Loss.

The investments in equity instruments of the subsidiary company and associates are measured at amortized cost.

3. Investments in mutual funds

Investments in mutual funds are measured at fair value through other comprehensive income (FVTOCI).

ii) Impairment

The Company recognizes impairment allowances using Expected Credit Losses ("ECL") method on all the financial assets that are not measured at FVTPL:

ECL are probability-weighted estimate of credit losses. They are measured as follows:

- Financials assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
- Financials assets with significant increase in credit risk - as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial assets.
- Financials assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows.

Financial assets are written off / fully provided for when there is no reasonable of recovering a financial assets in its entirety or a portion thereof.

However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

(ii) derecognition

A financial asset is derecognised only when:

The Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities

(i) initial recognition and measurement

Financial liabilities are classified at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in Statement of Profit or loss.

(ii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iii) derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.8 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes expenditure that

is directly attributable to the acquisition and installation of the assets. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated as per WDV method by company. Under this method, the depreciation is calculated at a certain fixed percentage each year on the decreasing book value commonly known as WDV of the asset (book valueless depreciation).

Assets Useful life

The economic useful life of the asset is ascertained by the management as per Schedule II of the Companies Act, 2013. Leasehold Improvements Over the primary lease period or useful life, whichever is less.

Furniture and Fixtures 10 years
Office Equipments 5 years
Computers 3 years
Vehicles 8 years

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

2.9 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization.

Development expenditure on software is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise it is recognized in the profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses.

Amortisation

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives and is included in the depreciation and amortization in the statement of profit and loss.

Intangible asset	Useful life / amortization period
Computer Software	4 Years

Optional exemption from retrospective application:

Deemed cost for intangible assets.

The Company has elected to measure all its Intangible assets at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

2.10 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used by the group for business purposes, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

2.11 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal / external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of asset is the higher of its fair value or value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects the current market assessment of time value of money and the risks specific to it. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An Impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount would have been determined, net of depreciation or amortization, had no impairment loss been recognised.

2.11 Provisions and contingencies:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an

outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.12 Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

b) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive assets acquired and liabilities assumed.

2.13 First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2020, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2015 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2020, together with the comparative period data as at and for the year ended 31 March 2019, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2018, the Company's date of transition to Ind AS.

Estimates

The estimates at 1 April 2018 and at 31 March 2019 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- FVTOCI—unquoted equity shares
- FVTOCI—debt securities
- Impairment of financial assets based on expected credit loss model.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2018, the date of transition to Ind AS and as of 31 March 2019.

2.14 Leases

The Company lease asset classes primarily consist of leases for buildings taken on lease for operating its office. The Company assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term. The lease liability is initially measured at amortized cost at the present value of the future lease payments.

Transition

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

2.15 Foreign exchange transactions

The functional currency and the presentation currency of the Company is Indian Rupees. Transactions in foreign currency are recorded on initial recognition using the exchange rate at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on the settlement or translation of monetary items are recognized in the statement of profit and loss in the period in which they arise.

Assets and liabilities of foreign operations are translated at the closing rate at each reporting period. Income and expenses of foreign operations are translated at monthly average rates. The resultant exchange differences are recognized in other comprehensive income in case of foreign operation whose functional currency is different from the presentation currency and in the statement of profit and loss for other foreign operations. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

2.16 Borrowing costs

Borrowing costs include interest expense as per the effective interest rate (EIR) and other costs incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are recognized as an expense in the year in which they are incurred.

The difference between the discounted amount mobilized and redemption value of securities is recognized in the statement of profit and loss over the life of the instrument using the EIR.

2.17 Impairment of non-financial assets

The Company assesses at the reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units ("CGU") fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated

future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses are recognised in statement of profit and loss.

2.18 Retirement and other employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of availing employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short term employee benefits such as salaries and wages, bonus and ex-gratia to be paid in exchange of employee services are recognized in the period in which the employee renders the related service.

Post-employment benefits

Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The company makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The contribution of company is recognized as an expense in the Statement of Profit and Loss during the period in which employee renders the related service. There are no other obligations other than the contribution payable to the Provident Fund and Employee State Insurance Scheme. These contributions are recognized as an expense in the statement of profit and loss during the period during the period in which the employee renders the related service.

Defined benefit plan:

Gratuity liability, wherever applicable, is provided for on the basis of an actuarial valuation done as per projected unit credit method, carried out by an independent actuary at the end of the year. The Company's gratuity benefit scheme is a defined benefit plan.

Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. The Company presents the leave as a short-term provision in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as long-term provision.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return

on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Note 3: Key accounting estimates and Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Any changes to accounting estimates are recognized prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- (a) Provision and contingent liability: On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.
- (b) Allowance for impairment of financial asset: Judgments are required in assessing the recoverability of overdue loans / investment and determining whether a provision against those loans / investments is required. Factors considered include the aging of past dues, value of collateral and any possible actions that can be taken to mitigate the risk of non-payment.
- (c) Recognition of deferred tax assets: Deferred tax assets are recognized for unused tax-loss carry forwards and unused tax credits to the extent that realization of the related tax benefit is probable. The assessment of the probability with regard to the realization of the tax benefit involves assumptions based on the history of the entity and budgeted data for the future.
- (d) Property, plant and equipment and Intangible Assets: Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.
- (e) The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.
- f) Defined benefit plans: The cost of defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long - term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.

Notes to the Standalone Financial Statements

(Amount Rs. in Lakh)

Note 4: Cash and cash equivalent

Particulars	As at 31-Mar-20	As at 31-Mar-19	As at 01-April-18
1. Cash and cash equivalents			
Cash on hand	0.13	0.21	0.37
2. Balance with banks			
- In current accounts	83.79	777.62	360.79
- Cheques in hand	-	-	-
- Fixed deposit with banks (Maturity within 3 months) *	-	-	-
- Liquid Funds	-	100.00	135.00
Total (1+2)	83.92	877.83	496.16

Bank balance other than (4) above

Particulars	As at 31-Mar-20	As at 31-Mar-19	As at 01-April-18
- Earmarked balances (unpaid dividend account)	-	-	-
- Fixed deposit with banks (with original maturity more than 3 months)	-	-	-
- Fixed deposits (maturity more than 12 months)	-	-	-
Total	-	-	-

Note 5: Receivables

Particulars	As at 31-Mar-20	As at 31-Mar-19	As at 01-April-18
Trade receivables			
Considered good - secured*	-	-	-
Considered good - unsecured	-	-	-
Less: Allowances for impairment losses	-	-	-
Other receivables			
Other receivables	-	-	-
Total	-	-	-

Note 6 : Loans

Particulars	As at 31-Mar-20	As at 31-Mar-19	As at 01-April-18
Staff Loan & Advances	6.50	8.08	11.60
Deferred Cost Towards Staff Loan	0.13	0.71	0.48
Total	6.63	8.79	12.08

Note 7 : Investments

Particulars	Face Value	Shares / units			Amount as at		
		31-Mar-20	31-Mar-19	01-Apr-18	31-Mar-20	31-Mar-19	01-Apr-18
		Number	Number	Number	Amount in Lakh	Amount in Lakh	Amount in Lakh
Investment in entities							
A - Non trade -(At fair value through Other comprehensive Income)							
I-(QUOTED)							
Investment in Equity Instruments of Other entities							
Allcargo Logistics Limited	2	-	-	0.12	-	-	17.66
Ashapura Intimates Fashion Limited	10	0.80	0.80	-	0.00	22.56	-
Bank of Baroda	2	1.50	0.00	0.00	80.33	0.01	0.01
Capital First Limited	5	-	-	0.05	-	-	30.80
Cox & Kings	5	0.38	0.38	-	0.21	53.28	-
D Pharma Ltd.	10	0.00	0.00	0.00	0.00	0.00	0.00
Furure Consumer Limited	6	4.15	-	-	30.30	-	-
GAIL (India) Limited	10	0.53	-	-	40.19	-	-
GIC Housing Finance Limited	10	-	-	0.50	-	-	186.18
GMR Infrastructure Limited	1	-	-	1.25	-	-	21.06
Granules India Limited	1	-	2.98	-	-	341.06	-
Himadri Speciality Chemical Limited	1	-	-	0.20	-	-	29.23
Jain Irrigation Systems and Fertilizers Limited	2	-	1.20	-	-	70.68	-
Jaiprakash Power Ventures Limited	10	-	-	5.00	-	-	23.75
Jaypee Infratech Limited	10	-	-	1.20	-	-	10.08
JK Tyre & Industries Limited	2	-	4.23	7.00	-	388.53	1,140.65
Jindal Stainless Limited	2	-	-	-	-	-	-
Jindal Stainless (Hirar) Limited	2	-	0.10	-	-	9.38	-
J K Paper Limited	10	-	0.30	-	-	42.56	-
Lanco Infratech Limited	1	0.05	0.05	0.05	0.00	0.02	0.06
MBL Infrastructures Limited	10	4.35	3.50	3.50	11.76	45.68	67.90
Mercator Limited	1	3.00	3.00	-	1.80	20.70	-
NBCC (India) Limited	1	2.50	2.22	0.65	40.75	147.19	123.76
NCC Limited	2	1.62	-	-	30.38	-	-
Neo Corp International Ltd.	10	37.13	37.13	37.13	0.00	56.43	92.81
Oil & Natural Gas Corporation Limited	5	0.96	-	-	65.74	-	-
Parsvnath Developers Limited	5	6.36	6.36	6.06	7.95	39.44	90.01
PNC Infratech Limited	2	-	-	0.12	-	-	21.05

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Notes to the Standalone Financial Statements

(Amount Rs. in Lakh)

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Particulars	Face Value	Shares / units			Amount as at		
		31-Mar-20	31-Mar-19	01-Apr-18	31-Mar-20	31-Mar-19	01-Apr-18
		Number	Number	Number	Amount in Lakh	Amount in Lakh	Amount in Lakh
Punjab Wireless Systems Ltd.	10	0.01	0.01	0.01	0.00	0.00	0.00
Punjab National Bank	2	1.50	-	-	48.53	-	-
Relaxo Footwears Ltd.	1	162.89	81.50	81.50	97,562.97	62,816.13	52,331.15
Reliance Industries Limited	10	0.00	-	-	1.11	-	-
Steel Authority of India Limited	10	-	0.75	-	-	40.31	-
Shree Puskar Chemicals & Fertilisers	10	-	0.13	-	-	20.52	-
The Bombay Burmah Trading Corporation Limited	2	0.17	0.18	0.18	125.96	233.82	210.74
The South Indian Bank Limited	1	-	2.20	2.00	-	36.30	45.60
Spicejet Ltd.	10	0.90	-	-	33.08	-	-
Tata Steel BSL Ltd.	2	6.50	1.50	-	106.93	44.18	-
The Jammu & Kashmir Bank Limited	1	1.76	-	-	21.91	-	-
UTI Master Plus 91	10	0.00	0.00	0.00	0.00	0.00	0.00
Visaka Industries Limited	2	-	-	0.16	-	-	103.93
Vodafone Idea Limited	10	-	1.50	-	-	27.38	-
VA Tech Wabag Limited	2	0.25	-	-	20.59	-	-
Welspun Enterprises Limited	10	-	0.22	-	-	23.42	-
Wipro Limited	2	-	0.32	-	-	81.54	-
II- UNQUOTED		237.31	150.56	146.68	98,230.49	64,561.12	54,546.43
At Cost							
5,00,000 Equity Shares of Rs.10/- each of VLS Capital Ltd.	10	5.00	-	-	300.00	-	-
		242.31	150.56	146.68	98,530.49	64,561.12	54,546.43

Note 8 : Other Financial Assets

Particulars	As at 31-Mar-20	As at 31-Mar-19	As at 01-April-18
Margin Deposit with F&O Clearing Member (Globe Capital Market Ltd.)	990.13	808.00	808.00
Interest Accrued on FDR	7.91	6.78	5.47
Others	3.97	0.69	0.61
Deposit with NSEIL	277.00	202.00	77.00
VLS Securities Ltd. Group Gratuity Scheme	0.10	0.10	0.11
Total	1,279.11	1,017.57	891.19

Note 9 : Current Tax Assets (Net)

Particulars	As at 31-Mar-20	As at 31-Mar-19	As at 01-April-18
Advance tax and tax deducted at source	136.61	133.43	127.76
Less: Provision for Taxation	(134.89)	(122.33)	(116.07)
Total	1.72	11.10	11.69

Note 10 Property, Plant and Equipment

Description	Computers	Office equipment	Furniture & fixtures	Vehicle	Total
Balance as at 1st April 2018	39.35	2.88	0.71	5.79	48.73
Additions during the year	-	-	-	-	-
Balance as at 31st March 2019	39.35	2.88	0.71	5.79	48.73
Balance as at 1st April 2019	39.35	2.88	0.71	5.79	48.73
Additions during the year	2.28	-	-	-	2.28
Balance as at 31st March 2020	41.63	2.88	0.71	5.79	51.01
Accumulated Depreciation					
Balance as at 1st April 2018	39.07	2.88	0.71	4.68	47.34
Depreciation for the year	0.21	-	-	0.04	0.25
Balance as at 31st March 2019	39.28	2.88	0.71	4.72	47.59
Balance as at 1st April 2019	39.28	2.88	0.71	4.72	47.59
Depreciation for the year	0.36	-	-	0.34	0.70
Balance as at 31st March 2020	39.64	2.88	0.71	5.06	48.29
Property, Plant and Equipment					
Description	Computers	Office equipment	Furniture & fixtures	Vehicle	Total
Net Carrying amount					
As at 31st March 2019	0.07	0.00	0.00	1.07	1.14
As at 31st March 2020	1.99	0.00	0.00	0.73	2.72

Intangible Assets

Description	Software	-	-	-	Total
Balance as at 1st April 2018	1.04	-	-	-	1.04
Balance as at 31st March 2019	1.04	-	-	-	1.04
Balance as at 1st April 2019	1.04	-	-	-	1.04
Balance as at 31st March 2020	1.04	-	-	-	1.04
Accumulated Amortisation					
Balance as at 1st April 2018	1.04	-	-	-	1.04
Balance as at 31st March 2019	1.04	-	-	-	1.04

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(Amount Rs. in Lakh)

Balance as at 1st April 2019	1.04	-	-	-	1.04
Balance as at 31st March 2020	1.04	-	-	-	1.04
Intangible Assets					
Description	Software	-	-	-	Total
Net Carrying amount					
As at 31st March 2019	0.00	-	-	-	0.00
As at 31st March 2020	0.00	-	-	-	0.00

Note 11 : Other non-financial assets

Particulars	As at 31-Mar-20	As at 31-Mar-19	As at 01-April-18
Prepaid Expenses	6.45	9.43	3.37
	6.45	9.43	3.37

Note 12 : Trade Payables

Particulars	As at 31-Mar-20	As at 31-Mar-19	As at 01-April-18
Micro, Small and Medium Enterprises	-	-	-
Holding Company (VLS Finance Ltd.)	7.97	4.40	2.80
Others Payables	15.06	762.24	337.05
Total	23.03	766.64	339.85

Note 13 : Provisions

Particulars	As at 31-Mar-20	As at 31-Mar-19	As at 01-April-18
Provision for employee benefits	11.15	10.46	16.24
Total	11.15	10.46	16.24

Note 14 :Deferred tax liabilities (Net)

Particulars	As at 31-Mar-20	As at 31-Mar-19	As at 01-April-18
Deferred tax assets on account of :			
Depreciation	2.81	2.72	5.02
Provision for Leave Encashment	0.33	0.42	0.58
Total deferred tax assets	3.14	3.14	5.60
To be adjusted through statement of Profit & Loss	0.00	(2.46)	

Deferred tax assets / liabilities

Particulars	As at 31-Mar-20	As at 31-Mar-19	As at 01-April-18
Deferred tax liability on account of :			
Timing difference on Property, plant and equipment as per books and Income Tax Act, 1961	-	-	-
Sign on bonus pending write off	-	-	-
Deferred tax on IND AS adjustments	21,972.01	13,367.94	11,109.36
Total deferred tax liabilities (A)	21,972.01	13,367.94	11,109.36

Deferred tax assets on account of:

Employee Benefits	0.33	0.42	0.58
MAT credit receivable	-	-	-
Depreciation	2.81	2.72	5.02
Business loss carried forward	-	-	-
Total deferred tax assets (B)	3.14	3.14	5.60

Net deferred tax liability / (assets) (B-A)

	21,968.87	13,364.80	11,103.76
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Particulars	As at 31st March 2020	Recognised through profit and loss	Recognised through Other comprehensive income	As at 31st March 2019	Recognised through profit and loss	Recognised through Other comprehensive income	As at 1st April 2018
Deferred tax liabilities on account of:							
Timing difference on Property, plant and equipment as per books and Income Tax Act, 1961	-	-	-	-	-	-	-
Sign on bonus pending write off	-	-	-	-	-	-	-
Loss on private equity investment	-	-	-	-	-	-	-
Deferred tax on IND AS adjustments	21,972.01	56.57	8,547.50	13,367.94	54.54	2,204.04	11,109.36
Total deferred tax liabilities	21,972.01	56.57	8,547.50	13,367.94	54.54	2,204.04	11,109.36
Deferred tax assets on account of:							
Expenses allowable u/s. 43B on payment basis							
Depreciation	2.81	-	-	2.72	-	-	5.02
Provision for leave encashment	0.33	-	-	0.42	-	-	0.58
Deferred tax on Investments	-	-	-	-	-	-	-
MAT credit receivable	-	-	-	-	-	-	-
Business loss carried forward	-	-	-	-	-	-	-
Provision for impairment of non- current investments	-	-	-	-	-	-	-
Total deferred tax assets	3.14	-	-	3.14	-	-	5.60
Total deferred tax assets/ liability (net)	(21,968.87)	(56.57)	(8,547.50)	(13,364.80)	(54.54)	(2,204.04)	(11,103.76)

Notes to the Standalone Financial Statements

Particulars	(Amount Rs. in Lakh)		
	As at 31-Mar-20	As at 31-Mar-19	As at 01-April-18
Statutory dues	5.35	6.95	4.80
Total	5.35	6.95	4.80

Particulars	(No of Shares in Lakhs and Amount Rs. In Lakhs)					
	As at 31-Mar-20		As at 31-Mar-19		As at 01-April-18	
	Number	Amount	Number	Amount	Number	Amount
Authorised						
3,00,00,000 Equity Shares of Rs.10/- each	300.00	3,000.00	300.00	3,000.00	300.00	3,000.00
	300.00	3,000.00	300.00	3,000.00	300.00	3,000.00
Issued, subscribed and paid up						
3,00,00,000 Equity shares (Previous Year 30,00,00,000 Equity shares) of Rs.10/- each, fully paid up in cash	300.00	3,000.00	300.00	3,000.00	300.00	3,000.00
	300.00	3,000.00	300.00	3,000.00	300.00	3,000.00

Terms / rights attached to shares
The Company has one class of equity shares having a par value of R 10 each (previous year: having a par value of R 10 each). Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

Particulars	Reconciliation of number of shares outstanding					
	As at 31-Mar-20		As at 31-Mar-19		As at 01-April-18	
	Number	Amount	Number	Amount	Number	Amount
At beginning of the year	300.00	3,000.00	300.00	3,000.00	300.00	3,000.00
Stock options exercised under the ESOS	-	-	-	-	-	-
At the end of the year	300.00	3,000.00	300.00	3,000.00	300.00	3,000.00

Particulars	Shares held by holding Company					
	As at 31-Mar-20		As at 31-Mar-19		As at 01-April-18	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
VLS Finance Ltd. (including 600 shares held through its nominees)	299.00	99.67	299.00	99.67	299.00	99.67
	299.00	99.67	299.00	99.67	299.00	99.67

Particulars	Share holder having more than 5% equity share holding in the Company					
	As at 31-Mar-20		As at 31-Mar-19		As at 01-April-18	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
VLS Finance Ltd. (including 600 shares held through its nominees)	299.00	99.67	299.00	99.67	299.00	99.67

A. Equity Share Capital (Amount Rs. in Lakh)

Particulars	Equity share capital	
	Number of shares	Amount
As at 1st April 2018	300.00	3,000.00
Changes during the year due to exercise of ESOS	-	-
As at 31st March 2019	300.00	3,000.00
Changes during the year due to exercise of ESOS	-	-
As at 31st March 2020	300.00	3,000.00

B. Other Equity

Particulars	Reserves and Surplus								Other comprehensive income		Total Equity
	Capital Redemption Reserve	Capital Reserve	Securities premium	Share based payment reserve	Statutory Reserves (under Sec 45ic of RBI Act, 1934)	General Reserve	Debenture Redemption Reserve	Retained Earnings	Fair value gain on equity instruments carried through other comprehensive income	Remeasurement of Defined Benefit Plans	
Balance as at 1st April 2018 as per IGAAP	-	-	-	-	-	-	-	552.06	-	-	552.06
Adjustment for effect of Transition to IND AS	-	-	-	-	-	-	-	0.27	40,945.60	(0.27)	40,945.60
Balance as at 1st April 2018 as per IND AS								552.33	40,945.60	(0.27)	41,497.66
Profit/Loss for the year	-	-	-	-	-	-	-	(183.81)	-	-	(183.81)
Other comprehensive income (net of tax)									8,023.36	0.92	8,024.28
Total Comprehensive Income for the year	-	-	-	-	-	-	-	(183.81)	8,023.36	0.92	7,840.47

Notes to the Standalone Financial Statements

Particulars	Reserves and Surplus							Other comprehensive income		Total Equity	
	Capital Redemption Reserve	Capital Reserve	Securities premium	Share based payment reserve	Statutory Reserves (under Sec 45ic of RBI Act, 1934)	General Reserve	Debenture Redemption Reserve	Retained Earnings	Fair value gain on equity instruments carried through other comprehensive income		Remeasurement of Defined Benefit Plans
Balance as at 31st March 2019	-	-	-	-	-	-	-	368.52	48,968.96	0.65	49,338.13
Profit/Loss for the year	-	-	-	-	-	-	-	152.38	-	-	152.38
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	-	25,409.87	2.26	25,412.13
Total other comprehensive income for the year	-	-	-	-	-	-	-	152.38	25,409.87	2.26	25,564.51
Balance as at 31st March 2020	-	-	-	-	-	-	-	520.90	74,378.83	2.91	74,902.64

As per our report of even date attached

For Anil Pariek and Garg
(F.R.N.01676C)
Chartered Accountants

For and on behalf of the Board

H. K. Pariek
(Partner)
Membership No. 070250

S. K. Agarwal
Managing Director
DIN:00106763

K. K. Soni
Director
DIN:00106037

Anurag Bhatnagar
C.F.O.
PAN: AAJPB6607R
Place: New Delhi
Date: 14/07/2020

IJS Aujla
Company Secretary
M.No.: A34144

Place: Kanpur (U.P.)
Date: 14/07/2020

Note 17 : Other Equity

(Amount Rs. in Lakh)

Particulars	As at 31-Mar-20	As at 31-Mar-19	As at 01-April-18
Securities premium			
Balance at the beginning of the year	-	-	-
Add: during the year	-	-	-
Add: Transfer from ESOS Reserve	-	-	-
Balance as at end of the year	-	-	-
General reserve			
Balance at the beginning of the year	-	-	-
Opening balance of transferor company	-	-	-
Transfer to debenture redemption reserve	-	-	-
Transfer from statutory reserve	-	-	-
Adjusted impact of merger	-	-	-
Balance as at end of the year	-	-	-
Retained earnings			
Balance at the beginning of the year	368.52	552.33	552.06
Add: Profit/(loss) during the year	152.38	(183.81)	-
Adjustment for effect of Transition to IND AS	-	-	0.27
Balance as at end of the year	520.90	368.52	552.33
Fair value gain on equity instruments carried through other comprehensive income			
Balance at the beginning of the year	48,968.96	40,945.60	40,945.60
Actuarial gain/(losses) on post retirement benefit plans	-	-	-
Add: Other Comprehensive Income during the year (net of tax)	25,409.87	8,023.36	-
Balance as at end of the year	74,378.83	48,968.96	40,945.60
Remeasurement of Defined Benefit Plans			
Balance at the beginning of the year	0.65	(0.27)	-
Adjustment for effect of Transition to IND AS	-	-	(0.27)
Add: Other comprehensive income (net of tax)	2.26	0.92	-
Balance as at end of the year	2.91	0.65	(0.27)
TOTAL	74,902.64	49,338.13	41,497.66

Notes to the Standalone Financial Statements

Note 18 : Interest Income (Amount Rs. in Lakh)		
Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Interest on deposits with banks	69.93	53.51
Total	69.93	53.51
Note 19 : Dividend Income (Amount Rs. in Lakh)		
Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Dividend on non current Investments	366.34	137.52
Total	366.34	137.52
Note 20 : Fees and Commission Income (Amount Rs. in Lakh)		
Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Brokerage and fees income		
Brokerage income	52.74	35.99
Research and advisory fees	-	-
Depository income	-	-
	52.74	35.99
Other commission income		
Portfolio management fees and other commission	-	-
Total	52.74	35.99
Note 21 : Trading in Share/Securities (Net) (Amount Rs. in Lakh)		
Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Income / (loss) from arbitrage transaction / stock in trade	19.01	11.55
Partnership gain from private equity fund	-	-
Other operating revenue	-	-
Commission	-	-
Others	-	-
Total	19.01	11.55
Note 22 : Other Income (Amount Rs. in Lakh)		
Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Interest on Staff Loan & other	0.71	1.21
Unspent Liabilities Written Back	-	-
Miscellaneous Income	0.10	0.44
Interest on Income Tax Refund	2.87	-
Total	3.68	1.65
Note 23 : Fees and Commission expense (Amount Rs. in Lakh)		
Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
SEBI Fees	3.00	3.00
V-Sat Charges	0.54	0.24
Transaction and Other NSE Charges	8.31	7.67
Total	11.85	10.91
Note 24 : Net Loss on Fair Value Changes (Amount Rs. in Lakh)		
Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Profit/(Loss) on Sale of Investments	203.47	270.06
	203.47	270.06
Note 25 : Employee benefits expense (Amount Rs. in Lakh)		
Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Salaries and Wages	48.03	48.52
Staff Welfare Expenses	0.06	0.12
Contribution to Provident and other Funds	10.64	18.32
Total	58.73	66.96
Note 26 : Depreciation and Amortization expense (Amount Rs. in Lakh)		
Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Depreciation on Property, plant & equipment	0.70	0.25
Amortisation on other intangible assets	-	-
Depreciation on investment property	-	-
Total	0.70	0.25

Notes to the Standalone Financial Statements
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Particulars	(Amount Rs. in Lakh)	
	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Rent	0.60	0.60
Rates & Taxes	0.28	0.26
Electricity Charges	-	0.36
Office Maintenance	0.60	0.24
Legal and professional Charges	2.68	2.03
Repair & Maintenance	0.09	0.09
Travelling and Conveyance	2.63	2.34
Insurance	0.16	0.16
Miscellaneous Expenses	3.36	1.56
Business Promotion	1.41	1.80
News Papers, Books & Periodicals	1.12	1.51
Communication Expenses	0.40	0.39
Printing & Stationery	0.03	0.02
Directors Sitting Fee	0.95	0.48
Auditors Remuneration		
- Statutory Audit fees	0.28	0.28
- Tax audit fees	0.08	0.08
- Out of pocket expenses	0.20	0.20
Total	14.87	12.40

Particulars	(Amount Rs. in Lakh)	
	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Net profit attributable to equity shareholders [A] (R in lakhs)	152.95	(183.63)
Weighted average number of equity shares issued [B] (face value of R 10 each) (In numbers)	300.00	300.00
Basic earnings per share [A/B] (R)	0.51	(0.61)
Net Profit attributable to equity shareholders [C] (R in lakhs)	152.95	(183.63)
Less : Impact on net profit due to exercise of diluted potential equity shares [D]	-	-
Net profit attributable to equity shareholders for calculation of diluted EPS [C-D] (R in lakhs)	152.95	(183.63)
Weighted average of equity shares issued (face value of R 10 each) (In numbers) [E]	300.00	300.00
Weighted number of additional equity shares outstanding for diluted EPS (In numbers) [F]	-	-
Weighted number of equity shares outstanding for diluted EPS (In numbers) [E+F]	300.00	300.00
Diluted earnings per share [C-D/E+F] (R)	0.51	(0.61)

Note 29(i) : Reconciliation of equity as at date of transition 1st April 2018 and as at 31st March 2019

(Amount Rs. in Lakh)

Particulars	As at 31-Mar-19			As at 1-Apr-18		
	Previous GAAP	Adjustment	Ind AS	Previous GAAP	Adjustment	Ind AS
ASSETS						
1 Financial Assets						
(a) Cash and cash equivalents	877.83	-	877.83	496.16	-	496.16
(b) Bank Balance other than (a) above	-	-	-	-	-	-
(c) Receivables	-	-	-	-	-	-
(I) Trade Receivables	-	-	-	-	-	-
(II) Other Receivables	-	-	-	-	-	-
(d) Loans	8.79	-	8.79	12.08	-	12.08
(e) Investments	2,532.08	62,029.04	64,561.12	2,491.47	52,054.96	54,546.43
(f) Other Financial assets	1,017.57	-	1,017.57	891.20	-	891.19
Sub - total financial assets (A)	4,436.27	62,029.04	66,465.31	3,890.91	52,054.96	55,945.86
2 Non-financial Assets						
(a) Current tax assets (Net)	11.10	-	11.10	11.69	-	11.69
(b) Investment Property	-	-	-	-	-	-
(c) Property, Plant and Equipment	1.14	-	1.14	1.39	-	1.39
(d) Deferred tax assets (Net)	-	-	-	-	-	-
(e) Other Intangible assets	0.00	-	0.00	0.00	-	0.00
(f) Other non-financial assets	9.43	-	9.43	3.37	-	3.37
Sub - total non - financial assets (B)	21.67	-	21.67	16.45	-	16.45
3 Assets held for sale (C)						
Total Assets (A+B+C)	4,457.94	62,029.04	66,486.98	3,907.36	52,054.96	55,962.31
LIABILITIES AND EQUITY						
LIABILITIES						
1 Financial Liabilities						
(a) Payables						
(I) Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	767.45	(0.81)	766.64	340.64	(0.79)	339.85
(II) Other Payables	-	-	-	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

Notes to the Standalone Financial Statements

(Amount Rs. in Lakh)

Particulars	As at 31-Mar-19			As at 1-Apr-18		
	Previous GAAP	Adjustment	Ind AS	Previous GAAP	Adjustment	Ind AS
(b) Debt Securities	-	-	-	-	-	-
(c) Borrowings (Other than Debt Securities)	-	-	-	-	-	-
(d) Deposits	-	-	-	-	-	-
(e) Other financial liabilities	-	-	-	-	-	-
Sub - total financial liabilities (A)	767.45	(0.81)	766.64	340.64	(0.79)	339.85
2 Non-Financial Liabilities						
(a) Current tax liabilities (Net)	-	-	-	-	-	-
(b) Provisions	10.46	-	10.46	16.24	-	16.24
(c) Deferred tax liabilities (Net)	(3.14)	13,367.94	13,364.80	(5.60)	11,109.36	11,103.76
(d) Other non-financial liabilities	6.13	0.82	6.95	4.01	0.79	4.80
Sub - Total non - Financial Liabilities (B)	13.45	13,368.76	13,382.21	14.65	11,110.15	11,124.80
3 Liabilities towards assets held for sale (C)	-	-	-	-	-	-
4 EQUITY						
(a) Equity Share capital	3,000.00	-	3,000.00	3,000.00	-	3,000.00
(b) Other Equity	677.04	48,661.09	49,338.13	552.07	40,945.59	41,497.66
Sub - Total Equity (D)	3,677.04	48,661.09	52,338.13	3,552.07	40,945.59	44,497.66
Total Liabilities and Equity (A+B+C+D)	4,457.94	62,029.04	66,486.98	3,907.36	52,054.96	55,962.31

Note 29(ii) : Reconciliation of total comprehensive income for the year ended 31st March 2019

(Amount Rs. in Lakh)

	Previous GAAP	Adjustments	Ind AS
Revenue from operations			
(i) Interest Income	53.51	-	53.51
(ii) Dividend Income	137.52	-	137.52
(iii) Rental Income	-	-	-
(iv) Fees and commission Income	-	-	-
Brokerage and fees income	35.99	-	35.99
Other commission income	-	-	-
(v) Net gain on fair value changes	-	-	-
(vi) Trading in Share/Securities (Net)	11.55	-	11.55
1 Total Revenue from operations	238.57	-	238.57
2 Other Income	1.65	-	1.65
3 Total Income (1+2)	240.22	-	240.22
Expenses			
(i) Finance Costs	-	-	-
(ii) Fees and commission expense	10.91	-	10.91
(iii) Net Loss on Fair Value Changes	16.93	253.13	270.06
(iv) Employee benefits expense	66.96	-	66.96
(v) Depreciation, amortization and impairment	0.25	-	0.25
(vi) Others expenses	12.42	-	12.40
4 Total Expenses (4)	107.47	253.13	360.58
5 Profit / (loss) before tax (3-4)	132.75	(253.13)	(120.36)
Tax expense / (credit):			
(i) Current tax	-	-	-
(ii) Deferred tax expense / (credit)	2.46	54.55	57.01
(iii) Minimum alternate tax credit entitlement	-	-	-
(iv) Short provision for earlier years	6.26	-	6.26
6 Total tax expenses	8.72	54.55	63.27
7 Profit / (loss) for the year from continuing operations (5-6)	124.03	(307.68)	(183.63)
Other comprehensive income / (loss)			
(i) Items that will not be reclassified subsequently to the profit or loss	-	-	-
(a) Remeasurement of defined employee benefit plans	-	0.92	0.92
(b) Net changes in fair values of investments in equity shares carried at fair value through OCI	-	10,227.18	10,227.18
(ii) Income tax on items that will not be reclassified subsequently to the profit or loss	-	(2,204.04)	(2,204.04)
Total	-	8,024.06	8,024.06
8 Total comprehensive income for the year	124.03	7,716.38	7,840.43

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Note 30 : Related Party Disclosures: -

Pursuant to compliance of Indian Accounting Standard (Ind AS 24) on related party disclosure, the relevant information is provided here below:-

- I. Subsidiaries where control exist
- Fellow Subsidiaries - VLS Asset Management Ltd.
- II. Others - VLS Capital Ltd.
- III. Related Parties with whom there were transactions during the year
- a) Related party where control exist
- Holding Company - VLS Finance Ltd.
- i) Key Managerial Personnel (Group A)
- Mr. S. K. Agarwal - Managing Director
 - Mr. Anurag Bhatnagar - Chief Financial Officer
 - Mr. IJS Aujla - Company Secretary
- ii) Other Directors (Group B)
- Mr. Vikas Mehrotra - Director
 - Ms. Divya Mehrotra - Director
 - Mr. K. K. Soni - Director
 - Mr. R. K. Goswami - Independent Director
 - Dr. Rajeev Lochan Bishnoi - Independent Director
 - Mr. T. B. Gupta - Director
- b) Others - South Asian Enterprises Ltd.

(Amount Rs. in Lakh)

SI No.	Nature of transaction/ Name of the related party	Key Managerial Personnel (KMP) and Directors 2019-20 (2018-19)	Holding Company 2019-20 (2018-19)	Total 2019-20 (2018-19)
1	Brokerage Earned			
	VLS Finance Limited	- (-)	51.95 (33.72)	51.95 (33.72)
	Ms. Divya Mehrotra	0.66(1.17)	- (-)	0.66 (1.17)
2	Reimbursement amount claimed			
	VLS Finance Limited	- (-)	59.85(58.98)	59.85(58.98)
3	Rent & other charges paid			
	VLS Finance Limited	- (-)	1.42(1.42)	1.42(1.42)
4	Interest Paid on Margin Money Deposits			
	VLS Finance Limited	- (-)	36.29(32.03)	36.29(32.03)
	Ms. Divya Mehrotra	- (-)	4.95(8.02)	4.95(8.02)
5	Salary			
	Mr. Anurag Bhatnagar	21.69(21.69)	- (-)	21.69(21.69)
6	Sitting fees paid			
	Mr. Vikas Mehrotra	0.12(0.02)	- (-)	0.12(0.02)
	Ms. Divya Mehrotra	0.15(0.11)	- (-)	0.15(0.11)
	Mr. K K Soni	- (-)	- (-)	- (-)
	Mr. R. K. Goswami	0.33(0.17)	- (-)	0.33(0.17)
	Dr. Rajeev Lochan Bishnoi	0.28 (0.19)	- (-)	0.28 (0.19)
	Mr. T. B. Gupta	- (-)	- (-)	- (-)

Out Standing Balance at the year end

(Amount Rs. in Lakh)

SI No.	Nature of transaction/ Name of the related party	Directors 2019-20 (2018-19)	Holding Company 2019-20 (2018-19)	Total 2019-20 (2018-19)
1	Payable			
	VLS Finance Limited	- (-)	7.20 (4.40)	7.20 (4.40)
2	Other receivable			
	Ms. Divya Mehrotra	2.58(-)	- (-)	2.58(-)

Other- Purchase of Securities

(Amount Rs. in Lakh)

SI No.	Nature of transaction/ Name of the related party	Others 2019-20 (2018-19)	Holding Company 2019-20 (2018-19)	Total 2019-20 (2018-19)
-	South Asian Enterprises Ltd.	300.00 (-)	- (-)	300.00 (-)

Note 31 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio within a level of 80%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

(Amount Rs. in Lakh)

Particulars	31 March 2020	31 March 2019	01 April 2018
Borrowings	-	-	-
Trade payables	-	-	-
Other payables	-	-	-
Less: cash and cash equivalents	83.92	877.83	496.17
Net debt	(83.92)	(877.83)	(496.17)
Equity	3000.00	3000.00	3000.00
Other Equity	74902.64	49338.12	41497.66
Total capital	77902.64	52,338.12	44,497.66
Capital and net debt	77818.72	51460.29	44001.49
Gearing ratio	-	-	-

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In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

Note 32 : Dues to Micro and small Suppliers

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 02 October 2006, certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro and Small Enterprises.

There are no dues outstanding of an entity, which is registered as the Micro, Small and Medium Enterprises defined under 'The Micro, Small and Medium Enterprises Development Act, 2006'.

(Amount Rs. in Lakh)

Particulars	31 March 2020	31 March 2019	01 April 2018
Principal amount remaining unpaid to any supplier as at the period end.	-	-	-
Interest due thereon	-	-	-
Amount of interest paid	-	-	-
b. Earnings in Foreign Currency	-	-	-
Interest due thereon	-	-	-
Amount of interest paid	-	-	-
c. Expenditure in Foreign Currency	-	-	-
d. Value of Imports on CIF basis	-	-	-
Capital Goods	-	-	-
Stores and spare parts	-	-	-
e. Consumption of Stores and Spares	-	-	-
Imported	-	-	-
Indigenous	-	-	-

Note 33 : Commitments and contingencies

a. Commitments

Estimated number of contracts remaining to be executed on capital account and not provided for: At 31 March 2020, the company had commitments of Rs. Nil (31 March 2019: Rs. Nil, 1 April 2018: Rs. Nil).

b. Contingent liabilities – Nil

c. Leases

Operating lease - company as lessee

The company has taken a property on cancellable operating lease. The lease agreement provides for an option to the company to renew the lease period at the end of cancellable period.

Lease expense recognized for the year is Rs.0.60 (lease agreement is for the period up to one year only) (31 March 2019 Rs.0.60 & 31 March 2018 Rs.0.60).

Note 34 : Fair Value

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(Amount Rs. in Lakh)

Particulars	Carrying value		Fair value	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Financial assets				
Other financial assets	1279.11	1017.57	1279.11	1017.57
Loans	6.63	8.79	6.63	8.79
FVTOCI financial investments	64573.69	54333.93	98530.49	64561.12
Foreign exchange forward contracts	-	-	-	-
Total	65859.43	55360.29	99816.23	65587.48
Financial liabilities				
Borrowings	-	-	-	-
Obligations under finance leases and hire purchase contracts	-	-	-	-
Fixed rate borrowings	-	-	-	-
Contingent consideration	-	-	-	-
Total	-	-	-	-

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use Unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2020 was assessed to be insignificant.

Note 35 : Impact of COVID-19 on Going Concern Assumption

The COVID-19 outbreak has developed rapidly in 2020. To control the spread of outbreak of COVID-19, Government imposed national lockdown which caused disruption of the supply chain across businesses and industries in India. However, timely steps taken by the Government have again ensured revival in the operations in a very short term. The most visible impact of COVID-19 crisis, for the company, is the slowdown in the manufacturing, industrial and trade activities in world over. The Government had taken various measures to support the industries and also to uplift the business environment by giving various incentives and making the availability of money.

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Based on the aforesaid, the management concludes that no material uncertainty exists about the company's ability to continue as a going concern and accordingly; the management has prepared these financial statements on a going concern basis. Further, the management has also performed an impairment test considering the impact of COVID-19 on the carrying amount of the assets which has resulted in no significant impairment. However, the impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes in future economic conditions.

Note 36 : Estimation uncertainty relating to the global health pandemic on COVID-19

In assessing the recoverability of different assets, the Company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Note 37 : Approach to exemptions under Ind AS 101 First Time Adoption of Indian Accounting Standards (Ind AS)

First time adoption of Ind AS

For reporting periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with Indian GAAP. The Company has prepared its financial statements in accordance with Ind AS prescribed under section 133 of the Act and other accounting principles generally accepted in India and as notified by Ministry of Corporate Affairs with the transition date being April 1, 2018. The impact of transition has been provided in the Opening Reserves as at April 1, 2018.

In preparing these financial statements, the Company has opted to avail the choices available for certain transitional provisions within Ind AS 101, 'First time adoption of Indian Accounting Standards', which offers exemption from applying specified Ind AS retrospectively. The most significant of these provisions are in the following areas:

i. deemed cost for property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value for all of its property, plant and equipment and intangible assets as measured as per the previous GAAP and used that as its deemed cost as at the date of transition.

ii. classification and measurement of financial assets

At the transition date, the Company assessed the conditions for classification of financial assets and accordingly classified its financial assets at either amortised cost, fair value through other comprehensive income or fair value through statement of profit and loss, as appropriate, under the provisions of Ind AS 109, 'Financial Instruments'.

iii. de-recognition of financial assets

The Company has elected to not recognise financial assets or financial liabilities which were de-recognised in accordance with its previous GAAP as a result of transactions that occurred before the transition date.

iv. Revenue from contracts with customers

The Company has availed the following practical expedients in applying the standard retrospectively:

- a. For completed contracts within the same annual reporting period, no restatement has been done;
 - b. For completed contracts that have variable consideration, the Company has used the transaction price at the date the contract was completed rather than estimating variable consideration amounts in the comparative reporting periods; and
 - c. For all reporting periods presented before the beginning of the first Ind AS reporting period, no disclosures of the amount of transaction price allocated to the remaining performance obligations have been done.
- c. **Reconciliation of Statement of cash flows**

There were no material differences between the Statement of Cash Flows presented under Ind AS and the previous GAAP.

Notes to the reconciliations.

(a) Valuation of debt and equity securities:

Under Indian GAAP, investments that are acquired with the intention of holding them for not more than one year from the date on which such investments are made, are considered as current investment and shown as securities for trade. Investments acquired with the intention of holding for more than one year from the date on which such investments are made are classified as long-term investments. The securities held as securities for trade is carried at cost or market value, determined on an individual investment basis, whichever is lower. Accordingly, only mark-to-market losses on securities held as securities for trade is recognised in the statement of profit and loss while gains are ignored. Long term investments are carried at acquisition cost after providing for diminution in value, if such diminution is other than of a temporary nature. As per Ind AS, all financial assets have to be classified at 'amortised cost', 'fair value through other comprehensive income' or 'fair value through profit and loss'. These classifications are based on the business model test and the contractual cash flow test. Under Indian GAAP, unrealized gains were not accounted in the books. Under Ind AS, unrealized gains have been accounted in the statement of profit and loss.

This has resulted in an increase in retained earnings in April 2018 of Lakh 40,945.60 and increase in retained earning in March, 2019 by Lakh 8023.38 which has been routed through other comprehensive income.

(b) Lease rent escalation:

Under Indian GAAP, lease payments under an operating lease are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern of the users benefit. Under Ind AS, at the date of commencement of the lease, the company has to recognize a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

There was no lease transaction exceeding 12 months hence no impact on statement of profit and loss for the year ended March 31, 2019.

(c) Impairment of financial assets:

Under Indian GAAP, the Company recognized impairment on loans and trade receivables based on the ageing of the due balance. Under Ind AS, the Company applies the expected credit loss model (ECL) for measurement and recognition of impairment loss. The loans are categorized into three stages and the 12 month or lifetime expected loss as applicable is calculated. The Company recognizes lifetime expected credit loss for trade receivables. The Company considers outstanding for more than 90 days for calculation of expected credit loss.

However, there was no impact of the same.

(d) Deferred tax asset/liability

The transitional Ind AS adjustments has led to temporary differences in the tax and accordingly deferred tax impact on these adjustments has been accounted.

Note 38: Financial risk management

Risk management framework

The Company has established a comprehensive system for risk management and internal controls for all its businesses to manage the risks that it is exposed to. The objective of its risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and ensure a systematic response in the case of crystallization of such risks.

The Company has exposure to the following risk arising from financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

The Company has established various policies with respect to such risks which set forth limits, mitigation strategies and internal controls to be implemented. The Board oversees the Company's risk management, which frames and reviews risk management processes and controls.

The risk management system features a "three lines of defence" approach:

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- The first line of defence comprises its operational departments, which assume primary responsibility for their own risks and operate within the limits stipulated in various policies approved by the Board or by committees constituted by the Board.
- The second line of defence comprises specialized departments such as risk management and compliance. They employ specialised methods to identify and assess risks faced by the operational departments and provide them with specialised risk management tools and methods, facilitate and monitor the implementation of effective risk management practices, develop monitoring tools for risk management, internal control and compliance, report risk related information and promote the adoption of appropriate risk prevention measures.
- The third line of defence comprises the internal audit department and external audit functions. They monitor and conduct periodic evaluations of the risk management, internal control and compliance activities to ensure the adequacy of risk controls and appropriate risk governance, and provide the Board with comprehensive feedback.

a) Credit Risk:

It is risk of financial loss that the Company will incur a loss because its customer or counterparty to financial instruments fails to meet its contractual obligation.

The Company's financial assets comprise of Cash and bank balance, Securities for trade, Trade receivables, Loans, Investments and Other financial assets which comprise mainly of deposits and advances given.

The maximum exposure to credit risk at the reporting date is primarily from Company's trade receivable and loans.

Following provides exposure to credit risk for trade receivables and loans:

(Amount Rs. in Lakh)

Particulars	March 31,2020	March 31,2019	April 1, 2018
Trade and Other Receivables (net of impairment)	-	-	-
Loans (net of impairment)	6.63	8.79	12.08
Total	6.63	8.79	12.08

Trade Receivables: The Company has followed simplified method of ECL in case of Trade receivables and the Company recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. At each reporting date, the Company assesses the impairment requirements.

Based on the industry practices and business environment in which the entity operates, management considers that the trade receivables are in default if the payment is 90 days overdue. Out of the total trade receivables of Rs. Nil (2020), Rs. Nil (2019) are overdue for a period in excess of 90 days.

Loans: Loans comprise of surplus fund given as inter corporate deposit provided for which a staged approach is followed for determination of ECL.

Stage 1: All the outstanding loans are considered as stage 1 asset for computation of expected credit loss. Exposure at default (EAD) for stage 1 assets is computed considering different scenarios of market movements based on an analysis of historical price movements of the index and macro- economic environment.

Stage 2: Exposures under stage 2 include dues upto 30 days pertaining to principal amount.

Stage 3: Exposures under stage 3 include dues past 30 days pertaining to principal amount.

However, no ECL provision is made as there is no such default in payment.

Other financial assets considered to have a low credit risk:

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments comprise of quoted and unquoted Equity instruments, bonds and mutual funds which are market tradable. Other financial assets include deposits for assets acquired on lease.

b) Liquidity Risk

Liquidity represents the ability of the Company to generate sufficient cash flow to meet its financial obligations on time, both in normal and in stressed conditions, without having to liquidate assets or raise funds at unfavorable terms thus compromising its earnings and capital.

Liquidity risk is the risk that the Company may not be able to generate sufficient cash flow at reasonable cost to meet expected and / or unexpected claims. It arises in the trading and investment activities and in the management of trading positions.

The Company aims to maintain the level of its cash and cash equivalents and other highly marketable investments at an amount in excess of expected cash outflow on financial liabilities.

Funds required for short period is taken care by borrowings through overdraft facility against fixed deposits with the bank.

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2020.

(Amount Rs. in Lakh)

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total carrying amount
Assets					
Cash and bank balances	83.92	-	-	-	83.92
Securities for trade	-	-	-	-	-
Trade receivables	-	-	-	-	-
Loans	1.00	1.63	4.00	-	6.63
Investments	-	-	98530.49	-	98530.49
Other financial assets	11.88	-	1267.23	-	1279.11
Total	96.80	1.63	99801.72	-	99900.15
Liabilities					
Trade payables	23.03	-	-	-	23.03
Debt securities	-	-	-	-	-
Deposits	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Total	23.03	-	-	-	23.03
Net Excess / (shortfall)	73.77	1.63	99801.72	-	99877.12

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2019.

(Amount Rs. in Lakh)

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total carrying amount
Assets					
Cash and bank balances	877.83	-	-	-	877.83
Securities for trade	-	-	-	-	-
Trade receivables	-	-	-	-	-
Loans	1.63	3.16	4.00	-	8.79
Investments	-	-	64561.13	-	64561.13
Other financial assets	7.47	1010.10	-	-	1017.57
Total	886.93	1013.26	64565.13	-	66465.32

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Financial Statements for the year ended 31.03.2020

(Amount Rs. in Lakh)

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Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total carrying amount
Liabilities	-	-	-	-	-
Trade payables	766.64	-	-	-	766.64
Debt securities	-	-	-	-	-
Deposits	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Total	766.64	-	-	-	766.64
Net Excess / (shortfall)	120.29	1013.26	64565.13	-	65698.67

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at April 1, 2018.

(Amount Rs. in Lakh)

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total carrying amount
Assets					
Cash and bank balances	496.16	-	-	-	496.16
Securities for trade	-	-	-	-	-
Trade receivables	-	-	-	-	-
Loans	3.27	4.81	4.00	-	12.08
Investments	-	-	54546.43	-	54546.43
Other financial assets	6.19	885.00	-	-	891.19
Total	505.62	889.81	54550.43	-	55945.86
Liabilities					
Trade payables	339.85	-	-	-	339.85
Debt securities	-	-	-	-	-
Deposits	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Total	339.85	-	-	-	339.85
Net Excess / (shortfall)	165.77	889.81	54550.43	-	55606.01

c) Market Risk

Market risk arises when movements in market factors (foreign exchange rates, interest rates, credit spreads and equity prices) impact the Company's income or the market value of its portfolios. The Company, in its course of business, is exposed to market risk due to change in equity prices, interest rates and foreign exchange rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns. The Company classifies exposures to market risk into either trading or non-trading portfolios. Both the portfolios are managed using the following sensitivity analyses:

- i) Equity price Risk
- ii) Interest Rate Risk
- iii) Currency Risk

i) equity price Risk

The Company's exposure to equity price risk arises primarily on account of its investment positions

The Company's equity price risk is managed in accordance with its Corporate Risk and Investment policy (CRIP) approved by the board. The board specifies exposure limits and risk limits for the investments in equity.

ii) Interest Rate Risk

The Company's exposure to interest rate risk arises primarily on account of its amount given on loan and the surplus funds kept as deposits with the banks.

The Company's interest rate risk is managed in accordance with its policy approved by its board.

The non-traded Financial Assets and liabilities are fixed rate instruments and are valued at amortised cost. Any shifts in yield curve will not impact their carrying amount and will therefore not have any impact on the Company's statement of profit and loss.

iii) foreign exchange Risk/currency Risk

There is no exposure to currency risk as there is no position of the company stands in exchange traded currency derivatives.

The Company's currency risk is managed in accordance with the policy approved by the board.

Note 39 : Employees Benefits

The actuarial valuation was done in respect of defined benefit plan of gratuity.

i) Defined Contribution Plans:

Amount of Lakh 682.80 (Previous Year – 2019 - Lakh 680.74) contributed to provident funds is recognized as an expense and included in Contribution to EPF, gratuity etc.' under 'Employee Cost in the Statement of Profit and Loss.

Defined benefit plan

Long term employee benefits in the form of gratuity and leave encashment are considered as defined benefit plan

The present value of obligation is determined based on actuarial valuation using projected unit credit method as at the balance sheet date. The amount of defined benefits recognized in the balance sheet represent the present value of obligation as adjusted for unrecognized past service cost as reduced by the fair value of plan assets. In accordance with the Ind AS-19, actuarial valuation was done in respect of gratuity and leave encashment defined benefits plans and details of the same are given below:

(Amount in Lakh)

Actuarial Assumptions	Gratuity As at 31.03.2020	Gratuity As at 31.03.2019	Leave Encashment As at 31.03.2020	Leave Encashment As at 31.03.2019
Discount rate (per annum)	7.00%	7.75%	7.00%	7.75%
Future salary increase	5.00%	5.00%	5.00%	5.00%
Mortality	IALM 2012-14 Ultimate	IALM 2006-08 Ultimate	IALM 2012-14 Ultimate	IALM 2006-08 Ultimate
I. Expenses recognized in statement of profit and loss				
Current service cost	4.01	3.49	0.42	0.36
Interest cost	2.49	2.37	0.24	0.26
Past Service cost	-	7.81	-	-
Expected return on plan assets	(3.69)	(2.59)	-	-
Net expenses recognized	2.81	11.08	0.66	0.62
II. Other comprehensive (income)/ expenses (Premeasurement)				
Cumulative unrecognized actuarial (gain)/loss opening. B/F	(0.00)	1.07	(0.00)	(0.79)

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Financial Statements for the year ended 31.03.2020

(Amount Rs. in Lakh)

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Actuarial Assumptions	Gratuity As at 31.03.2020	Gratuity As at 31.03.2019	Leave Encashment As at 31.03.2020	Leave Encashment As at 31.03.2019
Actuarial (gain)/loss – obligation	(1.16)	(1.38)	(0.91)	0.70
Actuarial (gain)/loss – plan assets	(0.20)	(0.24)	-	-
Total Actuarial (gain)/loss	(1.36)	(1.62)	(0.00)	0.70
Cumulative total actuarial (gain)/loss. C/F	(1.36)	(0.55)	(0.00)	(0.09)
III. Net liability/(assets) recognized in the balance sheet at the year end				
Present value of obligation at the end of period	62.67	57.32	5.75	5.99
Fair value of the plan asset at the end of period	57.26	52.85	-	-
Funded status [(surplus/(deficit))]	5.41	4.47	5.75	5.99
Net asset/(liability) as at 31st March, 2020	(5.41)	(4.47)	(5.75)	(5.99)
IV. Change in present value of obligation during the year				
Present value of obligation at the beginning of period	57.32	45.03	0.00	4.67
Current service cost	2.49	2.37	0.42	0.26
Interest cost	4.01	3.49	0.24	0.36
Past Service cost	-	7.81	-	-
Benefits paid	-	-	-	-
Actuarial loss/ (gain) on obligations	(1.16)	(1.38)	(0.91)	0.70
Present value of obligation at the year end*	62.66	57.32	(0.25)	5.99
V. Change in present value of fair value of plan assets				
Fair value of plan assets as at the beginning of period	0.00	33.45	-	-
Expected return on plan assets	3.70	2.59	-	-
Contributions	0.52	16.56	-	-
Benefits paid	-	-	-	-
Actuarial loss/ (gain)	0.20	0.24	-	-
Fair value of plan assets at the year end	4.42	52.84	-	-
VI. Present Benefit Obligation at the end of the year				
Current Liability (Amount due within one year)	9.19	8.80	0.87	0.90
Non-Current Liability (Amount due over one year)				
	53.48	48.53	4.88	5.09

*Gratuity: LIC of India

Maturity profile of defined benefit obligation

Particulars	As on: 31/03/2020	As on: 31/03/2019
Weighted average duration (based on discounted cash flows) in years	5	6

Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Period	GRATUITY	LEAVE ENCASHMENT
	As on: 31/03/2020	As on: 31/03/2020
Defined Benefit Obligation (Base)	6,267.03 @ Salary Increase Rate: 5%, and discount rate :7%	5.75
Liability with x% increase in Discount Rate	6,026.73; x = 1.00% [Change (4)%]	549.38; x = 1.00% [Change (4)%]
Liability with x% decrease in Discount Rate	6,526.03; x = 1.00% [Change 4%]	601.90; x = 1.00% [Change 5%]
Liability with x% increase in Salary Growth Rate	6,828.32; x = 1.00% [Change 4%]	602.14; x = 1.00% [Change 5%]
Liability with x% decrease in Salary Growth Rate	6,520.06; x = 1.00% [Change (4)%]	548.68; x = 1.00% [Change (5)%]
Liability with x% increase in Withdrawal Rate	6,283.48; x = 1.00% [Change 0%]	576.53; x = 1.00% [Change 0%]
Liability with x% decrease in Withdrawal Rate	6,249.67; x = 1.00% [Change 0%]	572.45; x = 1.00% [Change 0%]

Note 40 : Maturity Analysis of Assets and Liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(Amount in Lakh)

Assets	31-03-2020			31-03-2019			01-04-2018		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets									
Cash and cash equivalents	83.92	-	83.92	877.83	-	877.83	496.16	-	496.16
Trade receivables	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-
Loans	2.63	4.00	6.63	4.79	4.00	8.79	6.03	6.05	12.08
Investments	-	98,530.49	98,530.49	-	64,561.12	64,561.12	-	54,546.43	54,546.43
Other financial assets	11.88	1,267.23	1,279.11	7.47	1,010.10	1,017.57	6.19	885.00	891.19
Total	98.43	99,801.72	99,900.15	890.09	65,575.22	66,465.31	508.38	55,437.48	55,945.86
Non-Financial assets									
Inventories	-	-	-	-	-	-	-	-	-
Current Tax assets	1.72	-	1.72	11.10	-	11.10	11.69	-	11.69
Investment Property	-	-	-	-	-	-	-	-	-
Property, plant and equipment	-	2.72	2.72	-	1.14	1.14	-	1.39	1.39
Deferred Tax Assets	-	-	-	-	-	-	-	-	-
Intangible assets under development	-	-	-	-	-	-	-	-	-
Other Intangible assets	-	0.00	0.00	-	0.00	0.00	-	0.00	0.00
Other non-financial assets	6.45	-	6.45	9.43	-	9.43	3.37	-	3.37
Total	8.17	2.72	10.89	20.53	1.14	21.67	15.06	1.39	16.45
Assets held for sale									
Total Assets	106.60	99,804.44	99,911.04	910.62	65,576.36	66,486.98	523.44	55,438.87	55,962.31

Financial Statements for the year ended 31.03.2020

(Amount Rs. in Lakh)

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Liabilities	31-03-2020			31-03-2019			01-04-2018		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Liabilities									
Trade payables	23.03		23.03	766.64		766.64	339.85		339.85
Debts									
Borrowings									
Deposits									
Other financial liabilities									
Total	23.03	-	23.03	766.64	-	766.64	339.85	-	339.85
Non Financial Liabilities									
Current tax liabilities (net)									
Provisions	11.15	-	11.15	10.46	-	10.46	16.24	-	16.24
Deferred tax liabilities		21,968.87	21,968.87	-	13,364.80	13,364.80		11,103.76	11,103.76
Other non financial liabilities	5.35	-	5.35	6.95	-	6.95	4.80	-	4.80
Total	16.50	21,968.87	21,985.37	17.41	13,364.80	13,382.21	21.04	11,103.76	11,124.80
Liabilities held for sale									
Total Liabilities	39.53	21,968.87	22,008.40	784.05	13,364.80	14,148.85	360.89	11,103.76	11,464.65

Note 41: Tax Expense

The Company pays taxes according to the rates applicable in India. Most taxes are recorded in the income statement and relate to taxes payable for the reporting period (current tax), but there is also a charge or credit relating to tax payable for future periods due to income or expenses being recognised in a different period for tax and accounting purposes (deferred tax). Tax is charged to equity when the tax benefit exceeds the cumulative income statement expense on share plans. The Company provides for current tax according to the tax laws of India using tax rates that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns in respect of situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities. Deferred tax is provided, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A deferred tax asset is recognised when it is considered recoverable and hence recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying temporary differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The Taxation Laws (Amendment) Ordinance, 2019 contain substantial amendments in the Income Tax Act 1961 and the Finance (No.2) Act, 2019 to provide an option to domestic companies to pay income tax at a concessional rate. However, the Company has elected to continue with the old tax rates till its MAT credit is get fully adjusted.

(Amount in Lakh)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Current tax expense		
Current tax for the year	12.56	-
Tax adjustment in respect of earlier years	-	6.26
Total current tax expense	-	-
Minimum alternate tax credit entitlement	-	-
deferred taxes		
Change in deferred tax liabilities	56.57	57.01
net deferred tax expense	56.57	57.01
Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Tax reconciliation (for profit and loss)		
Profit / (loss) before income tax expense	222.08	(120.35)
Tax at the rate of 15.6% (for 31 March 2018 - 20.39%)	A) 34.64	(24.54)
Tax effect of amounts which are not deductible / not taxable in calculating taxable income		
Net Loss on Fair Value Changes	203.47	270.06
Other expense	21.30	-
	B) 224.76	270.06
Tax at the rate of 15.6% (for 31 March 2018 - 20.39%)	35.06	55.06
Exempt Income	366.34	137.52
Tax at the rate of 15.6% (for 31 March 2018 - 20.39%)	C) 57.15	28.04
income tax expense ((A+B)-(C))	12.56	-

Financial Statements for the year ended 31.03.2020

Note 42 : Fair Value Measurement

1 Accounting classification and fair values

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

(Amount in Lakh)

Particulars	31-Mar-20	Carrying amount			Fair value				
		FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									-
Cash and cash equivalents				83.92	83.92				-
Bank balance other than cash and cash equivalents above				-					-
Receivables				-					-
(I) Trade receivables				-					-
(II) Other receivables				-					-
Loans				6.63	6.63				-
Investments		64,573.69		300.00	64,873.69	98,230.49		300.00	98,530.49
Other financial assets				1,279.11	1,279.11				-
Total financial assets				1,669.66	66,243.35	98,230.49		300.00	98,530.49

Particulars	31-Mar-20	Carrying amount			Fair value				
		FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial liabilities									-
Payables									-
(I) Trade payables									-
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	23.03	23.03	23.03	-	-	23.03
(II) Other payables									-
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-	-	-	-	-	-
Debt securities		-	-	-	-	-	-	-	-
Borrowings (Other than debt securities)		-	-	-	-	-	-	-	-
Deposits		-	-	-	-	-	-	-	-
Other financial liabilities		-	-	-	-	-	-	-	-
Total financial liabilities				23.03	23.03	23.03			23.03

The carrying value and fair value of financial instruments by categories as of 31st March 2019 are as follows:

Particulars	31-Mar-19	Carrying amount			Fair value				
		FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									-
Cash and cash equivalents				877.83	877.83				-
Bank balance other than cash and cash equivalents above				-					-
Receivables				-					-
(I) Trade receivables				-					-
(II) Other receivables				-					-
Loans				8.79	8.79				-
Investments		54,546.43		-	54,546.43	64,561.12			64,561.12
Other financial assets				1,017.57	1,017.57				-
Total financial assets				1,904.19	56,450.62	64,561.12			64,561.12
Financial liabilities									-
Payables									-
(I) Trade payables									-
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	766.64	766.64	766.64	-	-	766.64
(II) Other payables									-
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-	-	-	-	-	-
Debt securities		-	-	-	-	-	-	-	-
Borrowings (Other than debt securities)		-	-	-	-	-	-	-	-
Deposits		-	-	-	-	-	-	-	-
Other financial liabilities		-	-	-	-	-	-	-	-
Total financial liabilities				766.64	766.64	766.64			766.64

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Financial Statements for the year ended 31.03.2020

(Amount in Lakh)

Continue from previous page...

The carrying value and fair value of financial instruments by categories as of 1st April 2018 are as follows:

Particulars	01-Apr-18	Carrying amount			Fair value				
		FVPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Cash and cash equivalents		-		496.16	496.16				-
Bank balance other than cash and cash equivalents above		-	-	-					-
Receivables		-	-	-					-
(I) Trade receivables		-	-	-					-
(II) Other receivables		-	-	-					-
Loans		-		12.08	12.08				-
Investments			2,491.47	-	2,491.47	54,546.43			54,546.43
Other financial assets		-		891.19	891.19				-
Total financial assets			2,491.47	1,399.43	3,890.90	54,546.43	-	-	54,546.43
Financial liabilities									
Payables									
(I) Trade payables									
(i) total outstanding dues of micro enterprises and small enterprises				-					-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			339.85		339.85	339.85			339.85
(II) Other payables									
(i) total outstanding dues of micro enterprises and small enterprises				-					-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises				-					-
Debt securities									
Borrowings (Other than debt securities)									
Deposits									
Other financial liabilities		-							
Total financial liabilities		-	339.85	-	339.85	339.85	-	-	339.85

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investment in private equity funds, real estate funds.

ii Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include :

- Quoted equity investments - Quoted closing price on stock exchange
- Mutual fund - net asset value of the scheme
- Alternative investment funds - net asset value of the scheme
- Unquoted equity investments - NAV on the last audited financials available of the companies.
- Private equity investment fund - NAV of the audited financials of the funds.
- Real estate fund - net asset value, based on the independent valuation report or financial statements of the company income approach or market approach based on the independent valuation report.

iii. Financial instruments not measured at fair value

Financial assets not measured at fair value includes cash and cash equivalents, trade receivables, loans and other financial assets.

These are financial assets whose carrying amounts approximate fair value, due to their short-term nature.

Additionally, financial liabilities such as trade payables and other financial liabilities are not measured at FVTPL, whose carrying amounts approximate fair value, because of their short-term nature.

Fair value measurements using significant unobservable inputs (level 3)

43. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date attached

For Anil Pariek and Garg

(F.R.N.01676C)

Chartered Accountants

H. K. Pariek

(Partner)

Membership No. 070250

For and on behalf of the Board
S. K. Agarwal

Managing Director

DIN:00106763

K. K. Soni

Director

DIN:00106037

Anurag Bhatnagar

C.F.O.

PAN: AAJPB6607R

Place: New Delhi

Date: 14/07/2020

IJS Aujla

Company Secretary

M.No.: A34144

Place: Kanpur (U.P.)

Date: 14/07/2020

VLS ASSET MANAGEMENT LTD.

Regd. Off. 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi – 110065,
CIN: U74899DL1995PLC065812,
email: vami@vlsfinance.com, Phone: 011-46656666, Fax: 011-46656699

DIRECTORS' REPORT TO THE MEMBERS

Your Directors present the 25th Annual Report of your Company together with the Balance Sheet as at 31st March, 2020 and the Statement of Profit & Loss for the year ended on that date.

Financial Results

The Company has incurred a loss of Rs. 4,500/- on account of administrative expenses incurred. No income was generated during the year under review. The accumulated losses of the Company, during the year under review, have exceeded 50% of its net worth. The Board has been advised that the Company, not being an Industrial Company, no reference to any authority is required to be made. The Company did not undertake any activity during the year under review. However, the Board is continuing efforts to identify suitable activity for operation keeping in view the means available. Accordingly the Company is being viewed as a going concern and the accounts have been prepared on the basis of the going concern assumption.

Board Meetings

During the year ended 31/03/2020, 4 (four) Board Meetings were held with one meeting in every quarter on 15/05/2019, 01/08/2019, 14/12/2019, and 20/03/2020.

Details of meetings attended by the Directors in the relevant period are as below:

S. No.	Name of the Director	No. of meetings attended during F. Y. 2019-20	
1	Shri S. K. Agarwal	4	15/05/2019
			01/08/2019
			14/12/2019
			20/03/2020
2	Shri K. K. Soni	4	15/05/2019
			01/08/2019
			14/12/2019
			20/03/2020
3	Shri Rajesh Jhalani	4	15/05/2019
			01/08/2019
			14/12/2019
			20/03/2020

Internal Financial Control Systems

The Company has in place a proper and adequate system of internal control to monitor proper recording of transactions authorized according to policies and procedures laid down by the Board. The Board ensures that all regulatory guidelines are being complied with at all levels.

Risk Management

Although the Company has not carried out any business during the year under review, the risk management mechanism of the Company was in place as consented to by the Board.

Dividend/Reserves

No dividend has been recommended by the Board and no amount has been transferred to general reserve in view of losses.

Directors

During the year under there is no change in directorship of the Company. Shri S.K. Agarwal (DIN: 00106763) shall be retiring by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment. Your Directors recommend his reappointment in order to have his continued valuable direction, guidance and assistance in the conduct of the affairs of your Company.

Annual Return Extract (MGT-9)

We have reported in **Annexure-1** to this report, the extract of the Annual Return to be filed with the Registrar of the Companies in prescribed format.

Contracts With Related Party

Relevant disclosures has been made under clause 10 of note forming part of financial statements. The details of the related party transactions have been provided in form AOC-2 as under:

Form No. AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sl. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	VLS Finance Ltd.- Holding Company
b)	Nature of contracts/arrangements/transactions	Unsecured Long term borrowings
c)	Duration of the contracts / arrangements/ transactions	Until rescinded
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Non-interest bearing borrowings
e)	Justification for entering into such contracts or arrangements or transactions	The financial condition of subsidiary i.e. VLS Asset Management Ltd.
f)	Date(s) of approval by the Board	NA#
g)	Amount paid as advances, if any:	NA#
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NA#

The arrangement was in existence prior to 01/04/2014 and no change in terms have been made.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sl. No.	Particulars	Details
a)	Name(s) of the related party	NONE
b)	Nature of relationship	
c)	Nature of contracts/ arrangements/ transactions	
d)	Duration of the contracts / arrangements/transactions	
e)	Salient terms of the contracts or arrangements or transactions	
f)	Justification for entering into such contracts or arrangements or transactions	
g)	Date(s) of approval by the Board	
h)	Amount paid during the year	

Directors Responsibility Statement

Pursuant to the provisions of Section 134(3) of the Companies Act, 2013, the Directors hereby confirm:

- that in the preparation of the Annual Accounts for the financial year ended 31st March, 2020, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- that they 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 of the loss of the Company for that year;
- that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that they have prepared the Annual Accounts for the financial year ended 31st March, 2020 on a 'going concern' basis;
- that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating.

Auditors

The Members of the Company had appointed M/s. Agiwal & Associates-Chartered Accountants, (FRN: 00181N) as Statutory Auditors, in the 20th Annual General Meeting held on 23/09/2015 for a period of 5 years i.e. upto conclusion of 25th Annual General Meeting ("AGM") of the Company to be held in 2020. The term of Statutory Auditors of five years as per provision of section 139(1) of Companies Act, 2013 will end at the conclusion of ensuing AGM. The Board recommends to re-appoint M/s. Agiwal & Associates-Chartered Accountants, (FRN: 00181N) as Statutory Auditors of the Company for a further period of 5 years commencing from conclusion of forthcoming Annual General Meeting i.e. 25th AGM to conclusion of 30th AGM of the Company to be held in calendar year 2025 as set out in the notice convening 25th AGM of the Company. M/s. Agiwal & Associates have conveyed their in-principle consent and eligibility for appointment as Statutory Auditors of the Company. The provisions relating to rotation of Statutory Auditors of Company in terms of section 139(2) of the Companies Act, 2013 are not applicable since the Company does not fall in categories prescribed in Rule 5 of Companies (Audit and Auditors) Rules 2014 as in force on date.

Auditors Report

The observations made by Auditors, M/s. Agiwal & Associates, Chartered Accountants in their report have been adequately dealt with in relevant Notes on Accounts and in this report under the head – Financial Results. No further comments or explanations are required from Directors as there is no qualification in the Auditor's report for the year under review.

Fixed Deposits

During the year under review, the Company has not held any fixed deposit within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

Statutory Disclosures

During the year under review, the Company did not absorb any new technology nor has carried out any R&D activity including conservation of Energy. The relevant disclosures are contained in **Annexure-2** to this report.

The Company did not have any employee during the relevant financial year hence the limits specified in Section 197 of the Companies Act, 2013 read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as amended are not applicable and there are no disclosures which are required to be made in this report, in terms of the aforesaid regulations. Further disclosure relating to ratio of the remuneration of each director to the median employee's remuneration is also not applicable.

The company has not given any loan, guarantees or made investments during the year under review reportable in terms of section 186 of the Companies Act, 2013.

Your company has not issued equity shares with differential voting rights or under ESOP in terms of sections 43a and 62(1) (b) of Companies Act, 2013 during the year under review.

Your company has not approved any scheme relating to provision of money to be held in a trust for the benefit of the employees in terms of Sec 67(3) (b) of Companies Act, 2013 during the year under review.

No revision of financial statements or Board's Report has been made in terms of section 131(1) of the Companies Act, 2013.

The Company has not undertaken any Corporate Social Responsibility initiative as the relevant provisions are not applicable on the Company.

Provisions for appointment of Independent directors are not applicable on your Company nor is it covered under sections 134(p), 177, 178, 203 and 204 of the Companies Act, 2013.

The Company has no subsidiaries and associates as defined under the Companies Act, 2013.

Acknowledgement

The Board takes this opportunity to place on record its sincere thanks to its members, bankers and other associates for their continued support.

For and on behalf of the Board of Directors

Place : New Delhi
Date : 14/07/2020

S. K. Agarwal
Director
DIN: 00106763

K. K. Soni
Director
DIN: 00106037

ANNEXURE-1
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U74899DL1995PLC065812
ii	Registration Date	24/02/1995
iii	Name of the Company	VLS ASSET MANAGEMENT LIMITED
iv	Category/Sub-category of the Company	Public Limited Company
v	Address of the Registered office & contact details	2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi- 110065 Phone Nos. 011 - 46656666 Fax 011-46656699
vi	Whether listed company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Asset Management	9999999999999999	0.00

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	VLS Finance Ltd. '2nd Floor, 13, Sant Nagar, 'East of Kailash, New Delhi- 110065	L65910DL1986PLC023129	Holding	99.15%	2(46)

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)
(i) Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01/04/2019				No. of Shares held at the end of the year i.e. 31/03/2020				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Central Govt.or State Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corporates	0	70100	70100	99.15%	0	70100	70100	99.15%	0.00%
d) Bank/FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any other	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL:(A) (1)	0	70100	70100	99.15%	0	70100	70100	99.15%	0.00%
(2) Foreign									
a) NRI-Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Banks/FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any other...	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL (A) (2)	0	0	0	0.00%	0	0	0	0.00%	0.00%
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	0	70100	70100	99.15%	0	70100	70100	99.15%	0.00%

Continue next page...

Continue from previous page...

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01/04/2019				No. of Shares held at the end of the year i.e. 31/03/2020				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Banks/FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Central govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Fund	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FIIS	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL (B)(1):	0	0	0	0.00%	0	0	0	0.00%	0.00%
(2) Non Institutions									
a) Bodies corporates									
i) Indian	0	100	100	0.14%	0	100	100	0.14%	0.00%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	500	500	0.71%	0	500	500	0.71%	0.00%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
a) NRI / OCB	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Foreign National	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Clearing Member	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) LLP	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Trust	0	0	0	0.00%	0	0	0	0.00%	0.00%
SUB TOTAL (B)(2):	0	600	600	0.85%	0	600	600	0.85%	0.00%
Total Public Shareholding (B)= (B)(1)+(B)(2)	0	600	600	0.85%	0	600	600	0.85%	0.00%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%	0.00%
Grand Total (A+B+C)	0	70700	70700	100.00%	0	70700	70700	100.00%	0.00%

(ii) SHARE HOLDING OF PROMOTERS

SI No.	Shareholders Name	Shareholding at the beginning of the year i.e. 01/04/2019			Shareholding at the end of the year i.e. 31/03/2020			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	VLS Finance Ltd.	70100	99.15%	0.00	70100	99.15%	0.00	0.00%
	Total	70100	99.15%	0.00	70100	99.15%	0.00	0.00%

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

SI. No.	Shareholder's Name	Date	Share holding at the beginning of the Year i.e. 01/04/2019		Cumulative Share holding during the year	
			No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	VLS Finance Ltd.		There is no change in promoter holding.			
	At the beginning of the year	01-04-2019	70100	99.15%	70100	99.15%
	At the end of the year	31-03-2020	70100	99.15%		

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

SI. No	For Each of the Top 10 Shareholders	Date	Share holding at the beginning of the Year i.e. 01/04/2019		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Shri M. P. Mehrotra					
	At the beginning of the year	01-04-2019	100	0.14%	100	0.14%
	At the end of the year	31-03-2020	100	0.14%		
2	Dr. (Mrs.) Sushma Mehrotra					
	At the beginning of the year	01-04-2019	100	0.14%	100	0.14%
	At the end of the year	31-03-2020	100	0.14%		
3	Shri Somesh Mehrotra					
	At the beginning of the year	01-04-2019	100	0.14%	100	0.14%
	At the end of the year	31-03-2020	100	0.14%		
4	Shri Vikas Mehrotra					
	At the beginning of the year	01-04-2019	100	0.14%	100	0.14%
	At the end of the year	31-03-2020	100	0.14%		
5	Shri Ramji Mehrotra					
	At the beginning of the year	01-04-2019	100	0.14%	100	0.14%
	At the end of the year	31-03-2020	100	0.14%		

Sl. No	For Each of the Top 10 Shareholders	Date	Share holding at the beginning of the Year i.e. 01/04/2019		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No of shares	% of total shares of the company
6	VLS Capital Ltd.					
	At the beginning of the year	01-04-2019	100	0.14%	100	0.14%
	At the end of the year	31-03-2020	100	0.14%		

(v) **Shareholding of Directors & KMP** : None of the Directors or KMP hold any shares in the Company.

Sl. No	For Each of the Directors & KMP	Date	Share holding at the beginning of the Year i.e. 01/04/2019		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	At the beginning of the year	01-04-2019	0	0.00%	0	0.00%
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)		0	0	0	0
3	At the end of the year	31-03-2020	0	0.00%	0	0.00%

V INDEBTEDNESS

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

Indebtedness at the beginning of the financial year		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount		₹	941994	0	941994
ii) Interest due but not paid		₹	0	0	0
iii) Interest accrued but not due		₹	0	0	0
Total (i+ii+iii)		₹	941994	0	941994
Change in Indebtedness during the financial year					
Additions		₹	4500	0	4500
Reduction		₹	0	0	0
Net Change		₹	4500	0	4500
Indebtedness at the end of the financial year					
i) Principal Amount		₹	946494	0	946494
ii) Interest due but not paid		₹	0	0	0
iii) Interest accrued but not due		₹	0	0	0
Total (i+ii+iii)		₹	946494	0	946494

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager : **NIL**

Since appointment of Key Managerial personnel is not mandatory for the Company.

Sl.No	Particulars of Remuneration	Name of the MD/WTD/ Manager	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	0	0
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
2	Stock options	0	0
3	Sweat Equity	0	0
4	Commission as % of profit others (specify)	0	0
5	Others, please specify	0	0
	Total (A)	0	0
	Ceiling as per the Act per annum	0	0

B. Remuneration to other directors: No remuneration was paid to Directors.

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors	No Independent directors			
	(a) Fee for attending board committee				
	(b) Commission				
	(c) Others, please specify				
	Total (1)				
2	Other Non Executive Directors	Shri S. K. Agarwal	Shri K. K. Soni	Shri Rajesh Jhalani	Total Amount
	(a) Fee for attending board committee	0	0	0	0
	(b) Commission	0	0	0	0
	(c) Others, please specify.	0	0	0	0
	Total (2)	0	0	0	0
	Total (B)=(1+2)	0	0	0	0
	Total Managerial Remuneration	0	0	0	0
	Overall Ceiling as per the Act. Per meeting	100000	100000	100000	0

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

Since appointment of Key Managerial personnel is not mandatory for the Company.

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary	CFO
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N.A	N.A	N.A
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N.A	N.A	N.A
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A	N.A	N.A
2	Stock Option	N.A	N.A	N.A
3	Sweat Equity	N.A	N.A	N.A
4	Commission as % of profit others, specify	N.A	N.A	N.A
5	Others, please specify	N.A	N.A	N.A
	Total	N.A	N.A	N.A

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	*	*	*	*	*
Punishment	*	*	*	*	*
Compounding	*	*	*	*	*
B. DIRECTORS					
Penalty	*	*	*	*	*
Punishment	*	*	*	*	*
Compounding	*	*	*	*	*
C. OTHER OFFICERS IN DEFAULT					
Penalty	*	*	*	*	*
Punishment	*	*	*	*	*
Compounding	*	*	*	*	*

* No Penalty, punishment imposed or compounding undertaken by the company or Directors or other officers in default during the year under review.

Annexure-2
Annexure to Directors' Report

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and forming part of Directors' Report for the year ended 31st March, 2020.

CONSERVATION OF ENERGY

- a) Energy conservation measure taken : Nil
- b) Proposals under implementation for reduction in consumption of energy : Nil

TECHNOLOGY ABSORPTION

- a) Research and development : Nil
- b) Technology absorption, adoption and innovation : Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) Foreign Exchange Earned : Nil
- b) Foreign Exchange Used : Nil

For and on behalf of the Board of Directors

S. K. Agarwal **K. K. Soni**
Director **Director**
DIN: 00106763 **DIN: 00106037**

Place : New Delhi
Date : 14/07/2020

INDEPENDENT AUDITOR'S REPORT
**To The Members of VLS Asset Management Limited
Report on the Audit of the Financial Statements**
Opinion

We have audited the accompanying IND AS financial statements of **VLS Asset Management Limited** ("**the Company**") which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) 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 (ICAI) 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 audit opinion on the financial statements.

Emphasis on Matter
a) Going Concern:

The Company's operating results have been materially affected due to various factors during earlier years and also during the financial year ended March 31, 2020, and the Company has huge accumulated losses of Rs 16,37,271

against share capital of Rs 7,07,000 as on the aforesaid date, which has eroded the entire net worth of the Company. Accordingly, the appropriateness of the Going Concern assumption is dependent on the Company's ability to establish consistent profitable operations as well as raising, obtaining or infusing adequate/ required fund to meet its short term and long term obligations.

Key Audit Matters

Key Audit matters are those matters that, in our professional judgment, were of most significance in our audit of financial statement of the current period.

Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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

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 Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, Statement of Change in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian 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.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) In Our Opinion, the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the company to its directors in accordance with the provision of section 197 read with schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's 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 does not have pending litigation which would impact its financial position;
 - ii. the company did not have any long term contract including derivative contracts for which there were any material foreseeable losses; and
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Agiwal & Associates
Chartered Accountants
Firm's Registration Number: 000181N

CA P. C. Agiwal
Partner
Membership Number: 080475

UDIN: 20080475AAAACA9513

Place: New Delhi

Date : July 14, 2020

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure 'A' referred to in our Independent Auditors' Report to the members of the Company on the financial statements of VLS Asset Management Limited for the year ended 31st March, 2020, we report that:

- (i) The Company did not have any Fixed Assets during the relevant financial year. Hence, comments of physical verification of assets and ownership thereof are not required.
- (ii) Since there were no operations during the year hence comments on physical verification of stock is not required.
- (iii) According to the information and explanations given to us, the Company has not granted secured or unsecured loan to companies, firms, LLP or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said order are not applicable to the Company.
- (iv) According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of loans, investments, guarantees and security the Company have not made any loans, investments, guarantees and security thus no comments are required on compliance of Section 185 and 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions under the Act. We have been informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other Tribunal in this regard.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including provident fund,

employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other material statutory dues to the appropriate authorities to the extent these are applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues were in arrears as at March 31st, 2020, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues of Income Tax, or Sales Tax or Goods and Services Tax or duty of Customs or duty of Excise or Value Added Tax which have not been deposited by the company on account of disputes.
- (viii) In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company does not have any outstanding dues to financial institutions or banks during the year.
- (ix) In our opinion and according to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) On the basis of records and information and explanations made available, no managerial remuneration has been paid or provided hence no comment is required on compliance of Section 197 Read with Schedule V of the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company as prescribed under section 406 of the act.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statement as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Agiwal & Associates**
Chartered Accountants
Firm's Registration Number: 000181N

CA P. C. Agiwal
Partner
Membership Number: 080475

UDIN: 20080475AAAACA9513
Place: New Delhi
Date : July 14, 2020

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **VLS Asset Management Limited** ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The board of directors of the company 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 Companies Act, 2013.

Auditors' 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 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 of the Company.

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
- (3) 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, to the best of our information and according to the explanation given to us, 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.

For **Agiwal & Associates**
Chartered Accountants
Firm's Registration Number: 000181N

CA P. C. Agiwal
Partner
Membership Number: 080475

UDIN: 20080475AAAACA9513
Place: New Delhi
Date : July 14, 2020

BALANCE SHEET AS ON 31.03.2020

(Amount Rs. in Lakhs)

Particulars	Note No.	31.03.2020	31.03.2019	01.04.2018
ASSETS				
(1) FINANCIAL ASSETS				
(a) Cash and cash equivalents	3	0.16	0.16	0.16
		<u>0.16</u>	<u>0.16</u>	<u>0.16</u>
(2) NON-FINANCIAL ASSETS				
(a) Property, Plant and Equipment		-	-	-
Total Assets		<u>0.16</u>	<u>0.16</u>	<u>0.16</u>
LIABILITIES				
(1) FINANCIAL LIABILITIES				
(a) Other financial liabilities	4	-	-	0.01
		-	-	<u>0.01</u>
(2) NON-FINANCIAL LIABILITIES				
(a) Borrowings	5	9.46	9.42	9.37
		<u>9.46</u>	<u>9.42</u>	<u>9.37</u>
EQUITY				
(a) Equity Share capital	6	7.07	7.07	7.07
(b) Other Equity	7	(16.37)	(16.33)	(16.29)
		<u>(9.30)</u>	<u>(9.26)</u>	<u>(9.22)</u>
Total Liabilities and Equity		<u>0.16</u>	<u>0.16</u>	<u>0.16</u>
Significant Accounting Policies and Notes forming part of accounts	1 to 14			

As our report of even date
For Agiwal & Associates
 (F.R.N.000181N)
 Chartered Accountants

For and on behalf of the Board

P.C. Agiwal
 Partner
 Membership No. 080475

S. K. Agarwal
 Director
 DIN:00106763

K. K. Soni
 Director
 DIN:00106037

Place : New Delhi
 Date : 14/07/2020

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

(Amount Rs. in Lakhs)

	As at 31.03.2020	As at 31.03.2019
A. Cash Flow from operating activities		
Net Profit (Loss) before Tax	(0.05)	(0.04)
Adjustment for :-		
Operating Profit before working capital changes	(0.05)	(0.04)
Increase / (Decrease) in trade payables & Others	-	-
Cash Generated from Operations	(0.05)	(0.04)
Net Cash From Operating Activities	(0.05)	(0.04)
B. Cash Flow From Financing activities		
Proceeds from borrowings	0.05	0.04
Net Cash From Financing Activities	0.05	0.04
Net increase in Cash & Cash Equivalents (A+B)	-	-
C. Cash & Cash Equivalents at the beginning of the Year	0.16	0.16
D. Cash & Cash Equivalents at the end of the year	0.16	0.16
Increase/(Decrease) in Cash & Cash Equivalents (D-C)	-	-
As per our report of even date attached hereto		

As our report of even date
For Agiwal & Associates
 (F.R.N.000181N)
 Chartered Accountants

For and on behalf of the Board

P.C. Agiwal
 Partner
 Membership No. 080475

S. K. Agarwal
 Director
 DIN:00106763

K. K. Soni
 Director
 DIN:00106037

Place : New Delhi
 Date : 14/07/2020

STATEMENT OF PROFIT AND LOSS AS ON 31.03.2020

(Amount Rs. in Lakhs)

Particulars	Note No.	31.03.2020	31.03.2019
I Income			
Revenue From Operations			
(i) Interest Income		-	-
(ii) Dividend Income		-	-
(iii) Net Gain on Fair Value Charges		-	-
(iv) Sale of Shares/Securities		-	-
(v) Income from Brokerage		-	-
Total Income (I)		<u>-</u>	<u>-</u>
II Other Income			
Total Income (II)		<u>-</u>	<u>-</u>
III Total Income (I+II)			
(i) Purchase of Stock-in-Trade		-	-
(ii) Net Loss on Fair Value Charges		-	-
(iii) Employee benefits expense		-	-
(iv) Operating Expenses		-	-
(v) Depreciation and amortization expense		-	-
(vi) Other expenses	8	0.05	0.04
Total expenses (IV)		<u>0.05</u>	<u>0.04</u>
V Profit/(loss) before exceptional items and tax (I-IV)		(0.05)	(0.04)
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		(0.05)	(0.04)
VIII Tax expense:			
(1) Current tax		-	-
(2) Tax adjustment for earlier Year		-	-
(2) Deferred tax		-	-
IX Profit (Loss) for the period (VII-VIII)		(0.05)	(0.04)
XI Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Gain / (Loss) arising on Defined Employee Benefits		-	-
Gain / (Loss) arising on fair valuation of Investment		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
XII Total Comprehensive Income for the period (IX+XI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(0.05)	(0.04)
XIII Earnings per equity share			
(1) Basic		(0.00)	(0.00)
(2) Diluted		(0.00)	(0.00)
Significant Accounting Policies and Notes forming part of accounts	1 to 14		

As our report of even date
For Agiwal & Associates
 (F.R.N.000181N)
 Chartered Accountants

For and on behalf of the Board

P.C. Agiwal
 Partner
 Membership No. 080475

S. K. Agarwal
 Director
 DIN:00106763

K. K. Soni
 Director
 DIN:00106037

Place : New Delhi
 Date : 14/07/2020

NOTES FORMING PART OF FINANCIAL STATEMENTS
Note 1
Corporate Overview

The Company was incorporated to function as Asset Management Company of the Mutual Fund proposed to be floated by VLS Finance Ltd., the Holding Company. However, it could not take up business because the said proposal was shelved due to adverse market conditions. The Company is exploring avenues available to it; however, no business activity could be taken up in past.

Note 2
Significant accounting policies:
a) General

The accompanying financial statements have been prepared on the historical cost convention and conform to the statutory provisions and practices prevailing in the country.

b) Method of Accounting

The company is following accrual basis of accounting.

(Amount Rs. in Lakhs)

NOTE PARTICULARS NO.	31.03.2020	31.03.2019	01.04.2018
NOTE - 3			
Cash & Bank Balances			
Cash and Cash Equivalents			
Cash on hand	-	-	-
Balance with Bank			
In current account	0.16	0.16	0.16
Total	<u>0.16</u>	<u>0.16</u>	<u>0.16</u>

Notes Forming Part of Financial Statements

NOTE PARTICULARS NO.	31.03.2020	31.03.2019	01.04.2018
NOTE - 4			
Other financial Liabilities			
Expenses Payable	-	-	0.01
	-	-	0.01
NOTE - 5			
Other financial Liabilities			
Unsecured Long Term Borrowings			
From Holding Company i. e. VLS Finance Ltd. (non-interest bearing)	9.46	9.42	9.37
	9.46	9.42	9.37

NOTE - 6 Share Capital	(No of Shares in Lakhs and Amount Rs. In Lakhs)		
	As at 31-Mar-20	As at 31-Mar-19	As at 01-April-18
Authorised			
1,00,00,000 Equity Shares of Rs.10/- each	1,000.00	1,000.00	1,000.00
	1,000.00	1,000.00	1,000.00
Issued, Subscribed & Paid up	7.07	7.07	7.07
70700 Equity Shares of Rs.10/- each	7.07	7.07	7.07

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Equity Shares	As at 31.03.2020		As at 31.03.2019		As at 31.03.2018	
	No. of shares	Amount	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	0.707	7.07	0.707	7.07	0.707	7.07
Issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	0.707	7.07	0.707	7.07	0.707	7.07

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Shares held by holding company

Out of equity shares issued by the company, shares held by its holding company are as follows.

	As at 31.03.2020	As at 31.03.2019	As at 31.03.2018
VLS Finance Ltd.	0.701	0.701	0.701

d. Details of shareholders holding more than 5% shares in the company

	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
VLS Finance Ltd. (including 600 shares held through its nominees)	0.701	99.15	0.701	99.15	0.701	99.15

Statement of Changes in Equity for the year ended 31 March 2020
Note 7
A. Equity Share

(Amount Rs. in Lakhs)

Particulars	Equity share capital	
	Number of shares	Amount
As at 1 April 2018	0.71	7.07
Changes during the year due to exercise of ESOS	-	-
As at 31 March 2019	0.71	7.07
Changes during the year due to exercise of ESOS	-	-
As at 31 March 2020	0.71	7.07

B. Other Equity

Particulars	Reserves and Surplus							Other comprehensive income		Total	
	Capital Redemption Reserve	Capital Reserve	Securities premium	Share based payment reserve	Statutory Reserves (under Sec 45ic of RBI Act, 1934)	General Reserve	Debenture Redemption Reserve	Retained Earnings	Equity instruments through other comprehensive income		Actuarial gain/(losses) on post retirement benefit plans
Balance as at 01 April 2018	-	-	-	-	-	-	-	(16.29)	-	-	(16.29)
Due to exercise of options											-
Transition effect as on 01.04.2018											-
Additions during the year								(0.04)			(0.04)
Transfer to statutory reserves											
Transfer to debenture redemption reserve											
Total Comprehensive Income for the year	-	-	-	-	-	-	-	(16.33)	-	-	(16.33)
Dividends											
Transfer to Securities premium											
Balance as at 31 March 2019	-	-	-	-	-	-	-	(16.33)	-	-	(16.33)
Balance as at 01 April 2019	-	-	-	-	-	-	-	(16.33)	-	-	(16.33)
Additions during the year								(0.04)			(0.04)
Transfer to Retained earning											
Transfer to debenture redemption reserve											
Dividends											
Total other comprehensive income for the year											
Balance as at 31 March 2020	-	-	-	-	-	-	-	(16.37)	-	-	(16.37)

As our report of even date

For Agiwal & Associates
 (F.R.N.000181N)
 Chartered Accountants

P.C. Agiwal
 Partner
 Membership No. 080475

 Place : New Delhi
 Date : 14/07/2020

For and on behalf of the Board

S. K. Agarwal
 Director
 DIN:00106763

K. K. Soni
 Director
 DIN:00106037

Notes Forming Part of Financial Statements

(Amount Rs. in Lakhs)

Note No.	Particulars	31.03.2020	31.03.2019
NOTE - 8			
Revenue From Operations			
	Interest Income	-	-
	Dividend Income	-	-
	Net Gain on Fair Value Charges	-	-
	Sale of Shares/Securities	-	-
	Income from Brokerage	-	-
	Total	-	-
NOTE - 9			
Other Income			
	Audit Fee Payable	-	-
	Total	-	-
NOTE - 10			
Other Expenses			
	Filing Charges	0.03	0.02
	Certification Charges	0.02	0.02
	Total	0.05	0.04

11 Deferred Tax Liability/ Deferred Tax Asset

There is no deferred tax asset/liability for the company during the year.

12 Related Party Disclosure (Accounting Standard - 18)

Following are the Related Parties:-

Holding company: - VLS Finance Ltd.
Fellow Subsidiaries: - VLS Securities Ltd.
Transaction during the year with the related party:-

(Amount Rs. in Lakhs)

Related Party	Nature of Transaction	As at 31 st March, 2020	As at 31 st March, 2019
Holding Company	Opening Balance	9.42	9.37
	Transactions during the year	0.04	.05
	Closing Balance	9.46	9.42

13 Basic and Diluted Earning Per Share (Under Accounting Standard - 20)

(No of Shares in Lakhs and Amount Rs. In Lakhs)

S. No.	Particulars	Year Ended 31 st March 2020	Year Ended 31 st March 2019
1.	Net Profit/Loss after Tax	(0.05)	(0.04)
2.	Weighted Average number of Equity Shares	0.707	0.707
3.	Face value per Share	10	10
4.	Basic & Diluted Earning Per Share	(0.00)	(0.00)

14 Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification.

As our report of even date

For Agiwal & Associates
(F.R.N.000181N)
Chartered Accountants

For and on behalf of the Board

P.C. Agiwal
Partner
Membership No. 080475

S. K. Agarwal
Director
DIN:00106763

K. K. Soni
Director
DIN:00106037

Place : New Delhi
Date : 14/07/2020

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To The Members of VLS Finance Limited

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **VLS Finance Limited ("the Company")** and its subsidiaries and associate (the Company and its subsidiaries and associate company together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) 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 Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have

CONSOLIDATED FINANCIAL STATEMENTS

determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	Auditor's Response
1	<p>Transition to IND AS accounting framework (as described in note no 38 of the Ind AS financial statements)</p> <p>In accordance with the roadmap for implementation of IND AS for non-banking financial companies, as announced by the Ministry of Corporate Affairs, the Group has adopted Ind AS from April 1, 2019 with an effective date of April 1, 2018 for such transition. For period up to and including year ended March 31, 2019, the Group has prepared and presented its financial statement in accordance with the erstwhile generally accepted accounting principles in India (Indian GAAP). In order to give effect of the transition to Ind AS these financial statement for the year ended March 31, 2020, together with the comparative financial information for the previous year ended March 31, 2019 and the transition date balance sheet as at April 1, 2018 have been prepared under Ind AS.</p> <p>The Transition has involved significant change in the company's policies and process relating to the financial reporting including generation of reliable and supportable information. Further the management has exercised significant judgment for giving an appropriate effect of the first time adoption principle of Ind AS 101, as at transition date and to determine the impact of the new accounting framework on certain accounting and disclosure requirement.</p> <p>In view of the complexity involved, Ind AS transition and the preparation of the financial statement subsequent to the transition date have been areas of key focus in our audit.</p>	<p>Principal Audit Procedures</p> <ul style="list-style-type: none"> • Read the Ind AS impact assessment performed by the management to identify areas to be impacted on account of Ind AS Transition. • Understood the financial statement closure process and the additional control established by the Group for transition to Ind AS. • Evaluate the exemption and exception allowed by Ind AS and applied by the Management in applying the first time adoption principles of Ind AS 101 in respect of fair valuation of assets and liabilities existing as at the transition date. • Read the changes made to the accounting policies in light of the requirement of the new framework. • Assessed the judgment exercised by the management in applying the first time adoption principles of Ind AS 101 especially in respect of fair valuation of assets and liabilities. <p>Assessed disclosure included in the Ind AS financial statement in accordance with the requirement of Ind AS 101, with respect to previous period presented.</p>

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our 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.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated

financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the company's financial reporting process of the group.

CONSOLIDATED FINANCIAL STATEMENTS

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, 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 Group'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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance.

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 consolidated 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.

Other Matters

We did not audit the financial statements/financial information of both the subsidiary companies (namely VLS Securities Limited., and VLS Asset Management Limited.) whose financial statements reflect total assets of Rs. 99,911.20 lakh and net assets of Rs.77,893.34 Lakh as at 31st March 2020, total revenues of Rs. 308.23 lakh, total net profit after tax of Rs. 152.90 lakh and total comprehensive income of Rs. 25,564.51 lakh and net cash flows amounting to Rs. (-)793.91 lakh for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/loss after tax and total comprehensive income of Rs. 523.42 lakh and Rs. 2371.73 lakh for the year ended 31.03.2020 as considered in the consolidated financial statements, in respect

CONSOLIDATED FINANCIAL STATEMENTS

of one associate viz., VLS Capital Limited, whose financial statements/financial information have not been audited by us. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate and our report in terms of sub section 3 of section 143 of the Act, including report on other information in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and on our report on the Other Legal and Regularity Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report that to the extent applicable:

- 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 of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and reports of the other Auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Change in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors of the Holding Company as on 31 March, 2020, taken on record by the Board of Directors of the Holding Company and the reports of the statutory Auditors of its subsidiary companies and its associate company namely VLS Capital Ltd. incorporated in India, none of the directors of the Holding Company, its subsidiary companies and the associate company incorporated in India is disqualified as on 31 March, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- g) With respect to the adequacy of the Internal Financial Controls over the Financial Reporting of the company and operating effectiveness of such controls, refer to our Report in Annexure A, which is based on the auditor's report of the Holding Company, the two subsidiary companies and one associate company incorporated in India. Our report express an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of Holding company, both subsidiary companies and VLS Capital Ltd., as associate company incorporated in India.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - (i) The Group has informed & explained to us that pending litigations has no adverse effect on its financial position in its standalone financial statements as at 31st March, 2020.
 - (ii) The Group has made provisions as at 31st March, 2020, as required under the applicable law or accounting standards, for foreseeable losses, if any, on long term contracts including derivative contracts.
 - (iii) There were no amounts, which were required to be transferred, to the Investors Education and Protection Fund by the Holding Company, its subsidiary companies and associate company namely VLS Capital Ltd., incorporated in India.

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

M.L. Puri
Partner
M. No. 009198

Place: New Delhi
Date: 16th July, 2020
UDIN:20009198AAAABN2620

CONSOLIDATED FINANCIAL STATEMENTS**Annexure - A to the Independent Auditors' Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of **VLS Finance Limited** ("the Company"), its subsidiary companies and associate, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated financial statements 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the other matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Consolidated financial statements.

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
- (3) 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 and to the best of our information and according to the explanation given to us, the Company, its subsidiary companies and associate company which are companies incorporated in India, have, 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.

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

M.L. Puri
Partner
M. No. 009198

Place: New Delhi
Date: 16th July, 2020
UDIN:20009198AAAABN2620

CONSOLIDATED FINANCIAL STATEMENTS
Consolidated Balance Sheet as at 31st March, 2020 (As per Indian Accounting Standard)

(Rupees in Lakhs)

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
ASSETS				
1 Financial Assets				
(a) Cash and cash equivalents	4	1,966.33	1,569.54	1,289.31
(b) Bank Balance other than (a) above	5	190.21	162.35	107.33
(c) Receivables	6			
(I) Trade Receivables		293.89	113.74	91.61
(II) Other Receivables		374.99	269.55	246.89
(d) Loans	7	816.60	829.28	832.59
(e) Investments	8	2,04,079.91	1,57,108.20	1,43,943.30
(f) Other Financial assets (to be specified)	9	7,379.57	1,602.88	1,295.18
Total (1)		2,15,101.50	1,61,655.54	1,47,806.21
2 Non-financial Assets				
(a) Current tax assets (Net)	10	1,348.97	463.19	482.68
(b) Investment Property		70.94	70.94	70.94
(c) Property, Plant and Equipment	11	910.26	911.67	953.66
(d) Capital work-in-progress		725.44	403.53	214.92
(e) Other Intangible assets	11	0.74	0.81	1.25
(f) Other non-financial assets (to be specified)	12	790.71	116.02	22.08
Total (2)		3,847.06	1,966.16	1,745.53
Total Assets (1+2)		2,18,948.56	1,63,621.70	1,49,551.74
LIABILITIES AND EQUITY				
LIABILITIES				
1 Financial Liabilities				
(a) Payables				
(I) Trade Payables	13			
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		220.64	965.02	498.92
(II) Other Payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		25.86	14.08	12.76
(b) Borrowings (Other than Debt Securities)	14	22.89	14.35	-
(c) Other financial liabilities (to be specified)	15	160.91	83.99	21.14
Total (1)		430.30	1,077.44	532.82
2 Non-financial Liabilities				
(a) Provisions	16	80.64	76.90	64.87
(b) Deferred tax liabilities (Net)	17	42,982.64	33,672.58	31,029.81
(c) Other non-financial liabilities (to be specified)	18	30.13	43.09	31.56
Total (2)		43,093.41	33,792.57	31,126.24
3 EQUITY				
(a) Equity Share capital	19	3,878.42	3,878.42	3,878.42
Non Controlling Interest		10.06	10.06	10.06
(b) Other Equity	20	1,71,286.79	1,24,698.84	1,13,865.97
Non Controlling Interest		249.58	164.37	138.23
Total (3)		1,75,424.85	1,28,751.69	1,17,892.68
Total Liabilities and Equity (1+2+3)		2,18,948.56	1,63,621.70	1,49,551.74

Accompanying Notes are an integral part of the Financial statements.

As per our report of even date attached

For M.L. Puri & Co
Chartered Accountants
(Firm's Registration Number: 002312N)

M.L. Puri
Partner
Membership No. 009198

July 16th, 2020
New Delhi

For and behalf of the Board

S.K. Agarwal
Managing Director
DIN: 00106763

K.K. Soni
Director-Finance & CFO
DIN:00106037

M.P. Mehrotra
Executive Vice Chairman
DIN: 00016768

H. Consul
Company Secretary
M.No: A-11183

Consolidated Statement of Profit and Loss for the year ended 31st March 2020 (As per Indian Accounting Standard)

(Rupees in Lakhs)

Particulars	Note No	Year Ended 31.03.2020	Year Ended 31.03.2019
I Revenue From Operations			
(i) Interest Income	21	616.13	515.81
(ii) Dividend Income	22	1123.44	714.40
(iii) Net gain/(loss) on fair value changes	23	1214.68	-
(iv) Trading in Shares/securities (Net)	24	(2,808.87)	318.21
(v) Other Operating Income	25	95.42	39.66
Total Income from operations (Total I)		240.80	1,588.08
II Other Income	26	535.14	(66.23)
Total Other Income (Total II)		535.14	(66.23)
III Total Income (I+II)		775.94	1,521.85
IV EXPENSES			
Employee benefits expense	27	407.18	415.66
Finance costs	28	6.56	0.95
Net gain/(loss) on fair value changes	23	0.00	1,585.06
Depreciation and amortization expense	11	116.30	59.39
Other expenses	29	728.46	767.68
Total expenses (IV)		1,258.50	2,828.74
V Profit/(loss) before exceptional items and tax (III- IV)		(482.56)	(1,306.89)
VI Exceptional Items		0.00	0.00
VII Profit/(loss) before tax (V-VI)		(482.56)	(1,306.89)
VIII Tax expense:			
(1) Current tax		12.56	432.78
(2) Tax adjustment for earlier Year		9.20	6.22
(3) Deferred tax		(4,429.40)	(1,327.86)
Total Tax expenses (VIII)		(4,407.64)	(888.86)
IX Profit / (Loss) for the period (VII-VIII)		3,925.08	(418.03)
XI Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Gain / (Loss) arising on Defined Employee Benefits			
-Remeasurement of Defined Employee Benefits		7.90	5.17
Gain / (Loss) arising on fair valuation of Investment		57,743.98	15,945.71
(ii) Income tax relating to items that will not be reclassified to profit or loss		(14,531.38)	(4,207.75)
Total (A)		43,220.50	11,743.13
B (i) Items that will be reclassified to profit or loss			
Total (B)		0.00	0.00
Total Other Comprehensive Income (A+B)		43,220.50	11,743.13
XII Total Comprehensive Income for the period (IX+XI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		47,145.58	11,325.10
Profit for the year attributable to:			
Shareholders of the Company		3924.57	(417.42)
Non-Controlling interest		0.51	(0.61)
Other Comprehensive Income for the year attributable to:			
Shareholders of the Company		43,135.80	11,716.38
Non-Controlling interest		84.70	26.75
Total Comprehensive Income for the year attributable to:		47060.37	11298.96
Shareholders of the Company		47060.37	11298.96
Non-Controlling interest		85.21	26.14
XIII Earnings per equity share (Face value Rs.10/-per equity share)	30		
(1) Basic (in Rupees)		10.15	(1.08)
(2) Diluted (in Rupees)		10.15	(1.08)

Accompanying Notes are an integral part of the Financial statements.

As per our report of even date attached

 For M.L. Puri & Co
 Chartered Accountants
 (Firm's Registration Number: 002312N)

 M.L. Puri
 Partner
 Membership No. 009198

 July 16th, 2020
 New Delhi

For and behalf of the Board

 S.K. Agarwal
 Managing Director
 DIN: 00106763

 K.K. Soni
 Director-Finance & CFO
 DIN:00106037

 M.P. Mehrotra
 Executive Vice Chairman
 DIN: 00016768

 H. Consul
 Company Secretary
 M.No: A-11183



CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Cash Flow Statement for the year ended 31.03.2020

(Rupees in lakhs)

Particulars	For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	(482.56)	(1,306.90)
Adjustment for:		
Depreciation	116.30	59.39
Interest Income	(77.85)	(60.88)
Share of profit of Associates	(523.42)	72.22
Dividend Income	(1,123.44)	(714.40)
	(1,608.41)	(643.68)
Operating profit	(2,090.97)	(1,950.57)
Adjustment for working capital changes		
1) Increase / (decrease) in provision	3.75	12.03
2) Increase / (decrease) in borrowings	8.58	14.39
3) Increase / (decrease) in other financial liabilities	76.92	62.86
4) Increase / (decrease) in trade payables	(740.81)	467.69
5) Increase / (decrease) in Other payables	11.79	1.32
6) (Increase) / decrease in loans	12.69	3.31
7) Increase / (decrease) in other non- financial liabilities	(12.96)	11.54
8) (Increase) / decrease in other financial assets	(5,776.70)	(307.69)
9) (Increase) / decrease in other non financial asset	(678.30)	(95.60)
10) (Increase) / decrease in trade receivables	(180.15)	(22.13)
11) (Increase) / decrease in other receivables	(105.44)	(22.66)
12) Increase / (decrease) in current tax assets	(885.78)	19.49
Cash generated / (used) from operations	(10,357.38)	(1,806.02)
Direct taxes paid (net)	21.76	432.74
Net cash generated / (used) from operating activities (A)	(10,379.14)	(2,238.76)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of investments	10,500.77	2,470.54
Purchase of Property, plant and equipment	(110.28)	(17.11)
Capital work in progress	(321.91)	(188.62)
Interest received on fixed deposits	77.85	60.88
Dividend Income	1,123.44	714.40
Net cash generated / (used) from investing activities (B)	11,269.88	3,040.10
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issued of equity shares	0.00	0.00
Dividend paid (including Dividend distribution tax)	(466.09)	(466.09)
Proceeds of deposits received	0.00	0.00
Interest expense	0.00	0.00
Net cash generated / (used) from financing activities (c)	(466.09)	(466.09)
Net increase / (decrease) in cash and cash equivalents during the year (A +B +c)	424.65	335.25
Cash and cash equivalents as at beginning of the year	1,731.89	1,396.64
Cash and cash equivalents as at end of the year :	2,156.54	1,731.89
Cash in hand	2.76	6.19
Scheduled bank - In current account	95.03	793.35
Fixed Deposit with Banks	109.46	108.40
In Liquid Funds	1,868.54	770.00
Scheduled Bank - Unpaid Dividend Account	80.75	53.95
Total	2,156.54	1,731.89
Reconciliation of cash and cash equivalents as above with cash and bank balances (also refer note no. 4 and 5)		
Cash and cash equivalents as at end of the year as per above	97.79	799.54
Add:- Fixed deposit with banks	109.46	108.40
Add:- In Liquid Funds	1,868.54	770.00
Add:- Unpaid dividend account	80.75	53.95
Total cash and bank balances equivalents as at end of the year	2,156.54	1,731.89

As per our report of even date attached

For M.L. Puri & Co
Chartered Accountants
(Firm's Registration Number: 002312N)

M.L. Puri
Partner
Membership No. 009198

July 16th, 2020
New Delhi

For and behalf of the Board

S.K. Agarwal
Managing Director
DIN: 00106763

K.K. Soni
Director-Finance & CFO
DIN:00106037

M.P. Mehrotra
Executive Vice Chairman
DIN: 00016768

H. Consul
Company Secretary
M.No: A-11183

CONSOLIDATED FINANCIAL STATEMENTS
Statement of Changes in Equity for the year ended 31 March 2020
A.1 Equity Share Capital

(Amount in Lakhs)

Particulars	Equity share capital	
	Number of shares (See Note below)	Amount (See Note below)
As at 1 April 2018	3,86,62,017	3,878.42
Changes during the year due to exercise of ESOS	-	-
As at 31 March 2019	3,86,62,017	3,878.42
Changes during the year due to exercise of ESOS	-	-
As at 31 March 2020	3,86,62,017	3,878.42

Note: Equity share capital amount includes Rs.12.22 lakh being the amount forfeited on 4,67,500 equity shares.

A.2 Equity Share Capital - Minority holdings

(Amount in Lakhs)

Particulars	Equity share capital	
	Number of shares (See Note below)	Amount
As at 1 April 2018	1,00,600	10.06
Changes during the year due to exercise of ESOS	-	-
As at 31 March 2019	1,00,600	10.06
Changes during the year due to exercise of ESOS	-	-
As at 31 March 2020	1,00,600	10.06

(b) Other equity

(Rupees in Lakhs)

Particulars	Shareholders of the Company						Non Controlling Interest			
	Reserves and surplus				Other Comprehensive Income		Total	Reserves and surplus	other comprehensive income	Total
	General Reserve	Securities Premium Account (*)	Capital Redemption Reserve account	Retained Earning	FVTOCI reserve	Remesurement of Defined Benefits		Retained Earning	FVTOCI reserve	
Balance as at April 01, 2018 as per IGAAP	2,878.45	10,052.27	120.13	13,333.32			26,384.17	1.75		1.75
Adjustment for effect of Transition to IndAS				-	83,080.96	6.14	83,087.10			-
Adjustment for effect of Transition to IndAS: - Consolidation adjustment for Associates				(2,001.61)	6,396.31		4,394.70		136.48	136.48
Balance as at April 01, 2018 as per IndAS	2,878.45	10,052.27	120.13	11,331.71	89,477.27	6.14	1,13,865.97	1.75	136.48	138.23
Profit/(Loss) for the year				(345.20)			(345.20)	(0.61)		(0.61)
Consolidation adjustment for Associates				(72.22)	430.14		357.92			-
Transfer from FVTOCI to Retained Earnings				3,969.27	(3,969.27)		-			-
Other Comprehensive Income (net of tax)					11,281.07	5.17	11,286.24			-
Dividend Paid on equity shares				(386.62)			(386.62)		26.75	26.75
Dividend distribution tax Paid				(79.47)			(79.47)			-
Transfer to general reserve				-			-			-
Balance as at March 31, 2019	2,878.45	10,052.27	120.13	14,417.47	97,219.21	11.31	1,24,698.84	1.14	163.23	164.37
Profit for the year				3,401.15	-	-	3,401.15	0.51		0.51
Consolidation adjustment for Associates				523.42	2,371.73		2,895.15			-
Transfer from FVTOCI to Retained Earnings				17,985.76	(17,985.76)		-			-
Other Comprehensive Income (net of tax)				-	40,756.18	7.90	40,764.08		84.70	84.70
Right of use -IndAS 116 adjustments				(6.34)			(6.34)			-
Dividend Paid on equity shares				(386.62)			(386.62)			-
Dividend distribution tax Paid				(79.47)			(79.47)			-
Transfer to general reserve				-			-			-
Balance as at March 31, 2020	2,878.45	10,052.27	120.13	35,855.37	1,22,361.36	19.21	1,71,286.79	1.65	247.93	249.58

Note on Securities Premium account: (*) includes an amount of Rs.474.34 lakh relating to share premium received on forfeited shares.

Note on Capital Redemption Reserve account: Transfer from Surplus in the statement of Profit & Loss account towards 11,32,983 fully paid up Equity Shares of Rs.10/- each bought back on 11/02/2014 for cash.

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Note 1: Corporate information

The company is a public limited company registered under the Companies Act, 1956 and is listed on the National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and Calcutta Stock Exchange. The Company has voluntarily surrendered the Certificate of Registration (CoR) with RBI which has been accepted by the RBI vide its letter dated 13/02/2014 w.e.f. 29/01/2014. The Company had applied for membership of Bombay Stock Exchange (BSE) and the same had been approved by BSE vide letter dated 14/05/2014. The SEBI Registration Certificate in connection thereto has been received vide letter dated 01/10/2014 and thereafter the Company is, inter alia, carrying on business as stock broker.

Note 2: Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(i) Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

For periods up to and including the year ended March 31, 2019, the Company presented its financial statements on accrual basis under historical cost convention, and conform in all material aspects to the Generally Accepted Accounting Principles in India ('Indian GAAP' or 'previous GAAP') which encompasses applicable accounting standards, relevant provisions of the Companies Act, 2013, other statutory provisions and regulatory framework.

These financial statements for the year ended 31 March 2020 are the first financial statements of the Company under Ind AS. Please refer Note 37 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The transition to Ind AS has been carried out in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards". Accordingly, the impact of transition has been recorded in Other Equity as at 1 April 2018.

The financial statements have been prepared using the significant accounting policies and measurement bases summarized as below. These accounting policies have been applied consistently over all the periods presented in these financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

ii) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Group and entities controlled by the Group and its subsidiaries.

Subsidiaries

Subsidiaries are entities over which the Group has control. Subsidiaries are consolidated on a line-by-line basis from the date the control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the

Group. Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group. Inter-Group transactions, balances and unrealised gains on transactions between Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. These financial statements are prepared by applying uniform accounting policies in use at the group.

Associates

Associates are the entities over which the Group has significant influence. Investment in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

The Subsidiaries and Associate considered in the Consolidated Financial Statements are as under:

Name of the Entity	Proportion of Ownership Interest March 31, 2020	Proportion of Ownership Interest March 31, 2019	Country of Incorporation
(a) Subsidiaries			
VLS Securities Limited	99.67%	99.67%	India
VLS Asset Management Limited	99.15%	99.15%	India
(b) Associates			
VLS Capital Limited	40.24%	38.09%	India

The consolidated financial statement includes the audited financials for the year ended on 31.03.2020 of the subsidiaries VLS Securities Limited (99.67%) and VLS Asset Management Limited (99.15%). The financials of VLS Capital Ltd for the same period have been consolidated as an associate under equity method of accounting. The financials of other companies included in consolidated financial statements in previous years namely, BMS IT Institute Private Limited (BMS) and Sunair Hotels Limited (Sunair) are not included in these consolidated financial statements as the company has already disposed off its investments in equity of BMS during the financial year 2019-20 as per the settlement reached in terms of the order passed by the Hon'ble Supreme Court of India. As regards Sunair, it does not fall under the definition of an associate as per Ind AS-28 due to absence of significant influence on account of ongoing disputes between the Company and Sunair, hence excluded from consolidation of financial statement for the year ended March 31, 2020.

iii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain Financial instruments are measured at fair value.
- Assets held for sale – measured at fair value less incidental cost to sell.

(iv) Preparation of financial statements

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies

CONSOLIDATED FINANCIAL STATEMENTS

(Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division III of Schedule III to the Companies Act, 2013, the Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity.

(v) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognized in the period in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and future periods. The estimates and judgments that have significant impact on carrying amount of assets and liabilities at each balance sheet date are discussed at Note 3.

2.2 Revenue Recognition

The Company recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognized when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur. Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation. The Company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

(i) Brokerage fee income

It is recognized on trade date basis and is exclusive of goods and service tax and securities transaction tax (STT) wherever applicable.

(ii) Interest income

Interest income from financial assets is recognized on accrual basis.

(iii) Dividend income

Dividend income is recognized in the statement of profit or loss on the date that the Company's right to receive payment is established.

(iv) Gain / losses on dealing in securities

Gains / losses on dealing in securities are recognized on a trade date basis.

2.3 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in "other comprehensive income" or directly in "other equity". In this case, the tax is also recognized in "other comprehensive income" or directly in "other equity", respectively.

2.3.1 Current Tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

2.3.2 Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets relating to unabsorbed depreciation/ business losses are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities. Transaction or event which is recognised outside profit or loss, either in "other comprehensive income" or in "other equity", is recorded along with the tax as applicable.

Current and deferred tax for the year: Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in "other comprehensive income" or directly in "other equity", in which case, the current and deferred tax are also recognised in "other comprehensive income" or directly in "other equity" respectively.

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2.4 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated in the Cash flow statement.

2.6 Financial instruments

(i) Initial recognition and measurement:

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. In regular way, purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability which are not carried through profit and loss statement at its fair value plus or minus, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognized for financial assets measured at amortized cost.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognizes the difference as follows:

- a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognized as a gain or loss.
- b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortized over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realized through settlement.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognized in profit or loss.

(ii) Fair value of financial instruments:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purpose. 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.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 35.

2.6.1 Financial assets

(i) Classification and subsequent measurement

The Company has applied Ind AS 109 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL):
Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit and loss statement. The gain or loss on disposal is recognised in the profit and loss statement. Interest income is recognised in the profit and loss statement for FVTPL debt instruments. Dividend on financial assets at FVTPL is recognised when the Company's right to receive dividend is established.
- Fair value through other comprehensive income (FVTOCI):
Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition)
 - the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
 - the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
 Interest income is recognised in profit or loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognised in other comprehensive income. When the investment is disposed of, the cumulative gain or loss previously accumulated in FVTOCI is transferred from FVTOCI to Retained Earnings.
- Amortised cost:
Financial asset is measured at the amortised cost if both the following conditions are met:
 - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPP) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

(ii) Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, elect to measure the same either at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The Company has elected to measure such instrument at FVTOCI. Fair value changes excluding dividends, on an equity instrument measured at FVTOCI are recognized in OCI for its fair value changes. Amounts recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss. When the investment is disposed of, the cumulative gain or loss previously accumulated in FVTOCI is transferred from FVTOCI to Retained Earnings. Dividend income on the investments in equity instruments are recognised as 'Revenue from operations' in the Statement of Profit and Loss.

The investments in equity instruments of the subsidiary company and associates are measured at amortized cost.

(iii) Investments in mutual funds

Investments in mutual funds are measured at fair value through other comprehensive income (FVTOCI).

(iv) Impairment

The Company recognizes impairment allowances using Expected Credit Losses ("ECL") method on all the financial assets that are not measured at FVTPL:

ECL are probability-weighted estimate of credit losses. They are measured as follows:

- Financials assets that are not credit impaired (the present value of all cash shortfalls that are possible within 12 months after the reporting date).
- Financials assets with significant increase in credit risk (the present value of all cash shortfalls that result from all possible default events over the expected life of the financial assets).
- Financials assets that are credit impaired (the difference between the gross carrying amount and the present value of estimated cash flows).

Financial assets are written off / fully provided for when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

(v) Derecognition

A financial asset is derecognised only when:

The Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more party/parties.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

2.7 Financial liabilities
(i) Initial recognition and measurement

Financial liabilities are classified at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in Statement of Profit or loss.

(ii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and even in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.8 Property, plant and equipment

- (i)** Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition and installation of the assets. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The

carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(ii) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(iii) Depreciation methods, estimated useful lives and residual value

Depreciation is calculated as per WDV method by company. Under this method, the depreciation is calculated at a certain fixed percentage each year on the decreasing book value commonly known as WDV of the asset (book value less depreciation).

The Company follows a procedure of writing off all capital expenses which do not exceed Rs.1000/- in each case.

(iv) Assets Useful life

The economic useful life of the asset is ascertained by the management as per Schedule II (Part-c) of the Companies Act, 2013.

Furniture and Fixtures: 10 years
Office Equipment: 5 years
Computers: 3 years/Servers: 6 years
Vehicles: 8 to 10 years
Buildings:60 years

Leasehold Improvements- Over the primary lease period or useful life, whichever is less.

(v) Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

2.9 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization.

Development expenditure on software is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise it is recognized in the profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses.

Amortisation

Amortisation is calculated using the WDV method to write down the cost of intangible assets to their residual

values over their estimated useful lives and is included in the depreciation and amortization in the statement of profit and loss.

Intangible asset	Useful life / amortization period
Computer Software	5 Years

Optional exemption from retrospective application:

Deemed cost for intangible assets.

The Company has elected to measure all its Intangible assets at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

2.10 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used by the group for business purposes, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

2.11 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal / external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of asset is the higher of its fair value or value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects the current market assessment of time value of money and the risks specific to it. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An Impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount would have been determined, net of depreciation or amortization, had no impairment loss been recognised.

2.12 Provisions and contingencies:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at

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the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.13 Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

b) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive assets acquired and liabilities assumed.

2.14 First-time adoption of Ind AS

These financial statements, for the year ended 31st March 2020, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2015 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2020, together with the comparative period data as at and for the year ended 31st March 2019, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared on the date of transition to Ind AS i.e. as at 1st April 2018.

Estimates

The estimates as at 1 April 2018 and as at 31 March 2019 in accordance with Ind AS are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- FVTOCI—unquoted equity shares
- FVTOCI—debt securities

- Impairment of financial assets based on expected credit loss model.

2.15 Leases

The Company lease asset classes primarily consist of leases for buildings taken on lease for operating its office. The Company assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term. The lease liability is initially measured at amortized cost at the present value of the future lease payments

Transition

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

2.16 Foreign exchange transactions

The functional currency and the presentation currency of the Company is Indian Rupees. Transactions in foreign currency are recorded on initial recognition using the exchange rate at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on the settlement or translation of monetary items are recognized in the statement of profit and loss in the period in which they arise.

2.17 Borrowing costs

Borrowing costs include interest expense as per the effective interest rate (EIR) and other costs incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are recognized as an expense in the year in which they are incurred.

The difference between the discounted amount mobilized and redemption value of securities is recognized in the statement of profit and loss over the life of the instrument using the EIR.

CONSOLIDATED FINANCIAL STATEMENTS
2.18 Retirement and other employee benefits
(i) Short- term employee benefits

Employee benefits payable wholly within twelve months of availing employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short term employee benefits such as salaries and wages, bonus and ex-gratia to be paid in exchange of employee services are recognized in the period in which the employee renders the related service.

(ii) Post-employment benefits
(ii)(a) Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The company makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The contribution of company is recognized as an expense in the Statement of Profit and Loss during the period in which employee renders the related service. There are no other obligations other than the contribution payable to the Provident Fund and Employee State Insurance Scheme. These contributions are recognized as an expense in the statement of profit and loss during the period during the period in which the employee renders the related service.

(ii)(b) Defined benefit plan:

Gratuity liability, wherever applicable, is provided for on the basis of an actuarial valuation done as per projected unit credit method, carried out by an independent actuary at the end of the year. The Company's gratuity benefit scheme is a defined benefit plan.

(ii)(c) Compensated absences

The Company provides for the encashment / availment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

Note 3. Key accounting estimates and Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Any changes to accounting estimates are recognized prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- (a) Provision and contingent liability: On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.
- (b) Allowance for impairment of financial asset: Judgments are required in assessing the recoverability of overdue loans and determining whether a provision against those loans is required. Factors considered include the aging of past dues, value of collateral and any possible actions that can be taken to mitigate the risk of non-payment.
- (c) Recognition of deferred tax assets: Deferred tax assets are recognized for unused tax-loss carry forwards and unused tax credits to the extent that realization of the related tax benefit is probable. The assessment of the probability with regard to the realization of the tax benefit involves assumptions based on the history of the entity and applicable laws.
- (d) Property, plant and equipment and Intangible Assets: Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.
- (e) The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.
- (f) Defined benefit plans: The cost of defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long - term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.

CONSOLIDATED FINANCIAL STATEMENTS
Reconciliation of Equity as at date of transition 1st April 2018 and as at 31st March 2019 (Consolidated)

(Amount in Lakhs)

Particulars	Note No.	As at 31.03.2019			As at 01.04.2018		
		Previous GAAP	Adjustments	IndAs	Previous GAAP	Adjustments	IndAs
ASSETS							
1 Financial Assets							
(a) Cash and cash equivalents	4	1,569.54	-	1,569.54	1,289.31	-	1,289.31
(b) Bank Balance other than (a) above	5	162.35	-	162.35	107.33	-	107.33
(c) Receivables	6						
(I) Trade Receivables		113.74	-	113.74	91.61	-	91.61
(II) Other Receivables		269.55	-	269.55	246.89	-	246.89
(d) Loans	7	830.19	(0.91)	829.28	833.52	(0.93)	832.59
(e) Investments	8	31,661.80	1,25,446.40	1,57,108.20	29,546.95	1,14,396.35	1,43,943.30
(f) Other Financial assets (to be specified)	9	1,602.88	-	1,602.88	1,295.18	-	1,295.18
Total (1)		36,210.05	1,25,445.49	1,61,655.54	33,410.79	1,14,395.42	1,47,806.21
2 Non-financial Assets							
(a) Current tax assets (Net)	10	463.19	-	463.19	482.68	-	482.68
(b) Investment Property		70.94	-	70.94	70.94	-	70.94
(c) Property, Plant and Equipment	11	911.67	-	911.67	953.66	-	953.66
(d) Capital work-in-progress		403.53	-	403.53	214.92	-	214.92
(e) Other Intangible assets	11	0.81	-	0.81	1.25	-	1.25
(f) Other non-financial assets (to be specified)	12	116.02	-	116.02	22.08	-	22.08
Total (2)		1,966.16	-	1,966.16	1,745.53	-	1,745.53
Total Assets (1+2)		38,176.21	1,25,445.49	1,63,621.70	35,156.32	1,14,395.42	1,49,551.74
LIABILITIES AND EQUITY							
LIABILITIES							
1 Financial Liabilities							
(a) Payables							
(I) Trade Payables	13						
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		965.02	-	965.02	498.92	-	498.92
(II) Other Payables							
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		14.08	-	14.08	12.76	-	12.76
(b) Borrowings (Other than Debt Securities)	14	14.35	-	14.35	-	-	-
(c) Other financial liabilities (to be specified)	15	83.99	-	83.99	21.14	-	21.14
Total (1)		1,077.44	-	1,077.44	532.82	-	532.82
2 Non-financial Liabilities							
(a) Provisions	16	5,126.99	(5,050.09)	76.90	4,450.97	(4,386.10)	64.87
(b) Deferred tax liabilities (Net)	17	(127.52)	33,800.10	33,672.58	(133.42)	31,163.23	31,029.81
(c) Other non-financial liabilities (to be specified)	18	43.09	-	43.09	31.56	-	31.56
Total (2)		5,042.56	28,750.01	33,792.57	4,349.11	26,777.13	31,126.24
3 EQUITY							
(a) Equity Share capital	19	3,878.42	-	3,878.42	3,878.42	-	3,878.42
Non-Controlling Interest		10.06	-	10.06	10.06	-	10.06
(b) Other Equity	20	28,165.56	96,533.28	1,24,698.84	26,384.17	87,481.80	1,13,865.97
Non-Controlling Interest		2.17	162.20	164.37	1.74	136.49	138.23
Total (3)		32,056.21	96,695.48	1,28,751.69	30,274.39	87,618.29	1,17,892.68
Total Liabilities and Equity (1+2+3)		38,176.21	1,25,445.49	1,63,621.70	35,156.32	1,14,395.42	1,49,551.74

Accompanying Notes are an integral part of the Financial statements.

As per our report of even date attached

 For M.L. Puri & Co
 Chartered Accountants
 (Firm's Registration Number: 002312N)

 M.L. Puri
 Partner
 Membership No. 009198

 July 16th, 2020
 New Delhi

For and behalf of the Board

 S.K. Agarwal
 Managing Director
 DIN: 00106763

 K.K. Soni
 Director-Finance & CFO
 DIN:00106037

 M.P. Mehrotra
 Executive Vice Chairman
 DIN: 00016768

 H. Consul
 Company Secretary
 M.No: A-11183

CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED FINANCIAL STATEMENTS

Reconciliation of total comprehensive income for the year ended 31st March, 2019 (Consolidated)

(Amount in Lakhs)

Particulars	Previous GAAP	Adjustments	As Per IndAS
I Revenue From Operations			
Interest Income	515.81	-	515.81
Dividend Income	714.40	-	714.40
Trading in Shares/securities (Net)	318.21	-	318.21
Other Operating Income	39.66	-	39.66
Total Income from operations (Total I)	1,588.08	-	1,588.08
II Other Income	368.76	(434.99)	(66.23)
Total Other Income (Total II)	368.76	(434.99)	(66.23)
III Total Income (I+II)	1,956.84	(434.99)	1,521.85
IV EXPENSES			
Employee benefits expense	409.34	6.32	415.66
Net loss on fair value changes	(2,637.33)	4,222.39	1,585.06
Finance costs	0.95	-	0.95
Depreciation and amortization expense	59.39	-	59.39
Other expenses	767.70	(0.02)	767.68
Total expenses (IV)	(1,399.95)	4,228.69	2,828.74
V Profit/(loss) before exceptional items and tax (III- IV)	3,356.79	(4,663.68)	(1,306.89)
VI Exceptional Items			
Provision for Diminuation in value of assets (net)	664.00	(664.00)	0.00
Profit/(loss) before tax (V-VI)	2,692.79	(3,999.68)	(1,306.89)
VIII Tax expense:			
(1) Current tax	432.78	0.00	432.78
(2) Tax adjustment for earlier Year	6.22	0.00	6.22
(3) Deferred tax	5.90	(1,333.76)	(1,327.86)
Total Tax expenses (VIII)	444.90	(1,333.76)	(888.86)
IX Profit / (Loss) for the period (VII-VIII)	2,247.89	(2,665.92)	(418.03)
XI Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Gain / (Loss) arising on Defined Employee Benefits	-	5.17	5.17
Remeasurement of Defined Employee Benefits	-	15,945.71	15,945.71
Gain / (Loss) arising on fair valuation of Investment	-	(4,207.75)	(4,207.75)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-
Total (A)	-	11,743.13	11,743.13
B (i) Items that will be reclassified to profit or loss			
Total (B)	-	-	-
Total Other Comprehensive Income (A+B)	-	11,743.13	11,743.13
XII Total Comprehensive Income for the period (IX+XI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)	2,247.89	9,077.21	11,325.10
XIII Earnings per equity share (Face Value Rs.10/- per equity share)			
(1) Basic (In Rupees)	5.81	(6.90)	(1.08)
(2) Diluted (In Rupees)	5.81	(6.90)	(1.08)

Accompanying Notes are an integral part of the Financial statements.

As per our report of even date attached

 For M.L. Puri & Co
 Chartered Accountants
 (Firm's Registration Number: 002312N)

 M.L. Puri
 Partner
 Membership No. 009198

 July 16th, 2020
 New Delhi

For and behalf of the Board

 S.K. Agarwal
 Managing Director
 DIN: 00106763

 K.K. Soni
 Director-Finance & CFO
 DIN:00106037

 M.P. Mehrotra
 Executive Vice Chairman
 DIN: 00016768

 H. Consul
 Company Secretary
 M.No: A-11183

CONSOLIDATED FINANCIAL STATEMENTS
Notes to the Consolidated Financial Statements

(Rupees in Lakhs)

Note No.	PARTICULARS	As at		
		31.03.2020	31.03.2019	01.04.2018
4	Cash and cash equivalents			
a)	Cash on hand	2.76	6.19	3.73
b)	Balances with Banks			
	-In Current Accounts	95.03	793.35	415.58
	-In Deposits Accounts	-	-	-
	(Original Maturity of Less than 3 months)			
c)	Liquid Funds	1868.54	770.00	870.00
	Total	1,966.33	1,569.54	1,289.31
5	Bank Balance other than cash and cash equivalents			
a)	Fixed deposits with bank (Refer note below)	109.14	108.03	106.99
	(Original Maturity of more than 3 months and less than or equal to 12 months)			
b)	Interest accrued on Fixed Deposits	0.32	0.37	0.34
c)	Bank balances in Unpaid dividend accounts	80.75	53.95	0.00
	Total	190.21	162.35	107.33

Note : Pledged with banks as security for overdraft facility

(Rupees in Lakhs)

Note No.	PARTICULARS	As at		
		31.03.2020	31.03.2019	01.04.2018
6	Receivables			
I)	Trade Receivables			
	Secured, considered good			
	Unsecured, considered good			
a)	Receivable from share brokers	292.96	112.13	87.50
b)	Others	0.93	1.61	4.11
	Total	293.89	113.74	91.61
	<i>No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.</i>			
II)	Other Receivables			
	Secured, considered good			
	Interest accrued	374.99	269.55	246.89
	Unsecured, considered good			
	Total	374.99	269.55	246.89
7	Loans			
	(Unsecured and considered good)			
a)	Loans			
	Loan to employees (including deferred cost)	16.60	29.28	32.59
b)	Others	800.00	800.00	800.00
	Total	816.60	829.28	832.59

Note No: 8 Investments

Particulars	Face Value (in Rs)	31.03.2020		31.03.2019		01.04.2018	
		Holding	Fair Value	Holding	Fair Value	Holding	Fair Value
		(in Nos)	(Rs in Lakhs)	(in Nos)	(Rs in Lakhs)	(in Nos)	(Rs in Lakhs)
In Equity Instruments (At Fair Value Through Other Comprehensive Income)							
I) Quoted Equity Shares							
3I INFOTECH LIMITED	10	-	-	-	-	2,00,000	10.10
ACCELYA KALE SOLUTIONS LIMITED	10	2,61,218	2,228.19	2,66,718	2,447.27	2,75,218	3,657.78
ALLCARGO LOGISTICS LIMITED	2	4,69,082	274.18	66,300	76.31	15,500	22.81
AMBIKA COTTON MILLS LIMITED	10	88,500	467.23	92,961	1,042.56	1,00,000	1,291.15
AXIS BANK LIMITED.	2	2,000	7.58	-	-	-	-
ASIAN OILFIELD SERVICES LIMITED	10	-	-	25,000	16.19	-	-
ASHAPURA INTIMATES FASHION LIMITED.	10	80,000	-	80,000	22.56	1,03,868	468.39
ASHOK LEYLAND LIMITED	1	-	-	-	-	25,000	36.36
BAJAJ AUTO LIMITED.	10	3,000	60.67	-	-	-	-
BALMER LAWRIE & COMPANY	10	10,000	7.94	-	-	-	-
BANK OF BARODA	2	1,50,005	80.33	5	0.01	5	0.01
BANK OF MAHARASHTRA	10	-	-	1,25,000	17.19	-	-
BHARAT FORGE LIMITED.	2	-	-	-	-	7,900	55.27
BRIGADE ENTERPRISES LIMITED	10	-	-	7,000	17.54	-	-
BALRAMPUR CHINI MILLS LIMITED.	1	48,500	50.46	-	-	-	-
BHARAT ELECTRONICS LIMITED.	1	3,04,000	226.33	-	-	-	-
BHARAT HEAVY ELECTRICALS LIMITED.	2	83,200	17.30	-	-	-	-
BHARAT PETROLEUM CORP LIMITED	10	45,350	143.71	40,350	160.41	40,350	172.48
BIOCON LIMITED.	5	50,000	135.28	-	-	-	-
BRITANNIA INDUSTRIES LIMITED.	1	5,300	142.51	-	-	-	-
CANTABIL RETAIL INDIA LIMITED	10	1,75,000	352.27	1,75,000	503.65	1,75,000	204.05
CAPITAL FIRST LIMITED	5	-	-	-	-	5,000	30.80
CCL PRODUCTS INDIA LIMITED	2	-	-	5,849	16.67	-	-
CORPORATION BANK	2	-	-	50,000	14.38	-	-
COAL INDIA LIMITED.	10	20,000	28.01	-	-	-	-
COCHIN SHIPYARD LIMITED.	10	250	0.66	-	-	-	-
COX & KINGS FINANCIAL SERVICE LIMITED.	10	33,185	0.10	-	-	-	-
COX & KINGS LIMITED.	5	2,00,000	1.10	38,100	53.28	20,000	45.60
CPSE ETF	10	1,00,000	16.06	44,314	12.07	-	-
D B REALTY LIMITED	10	-	-	50,000	9.80	-	-
D PHARMA LIMITED	10	200	-	200	-	200	-
DE NORA INDIA LIMITED	10	-	-	4,400	12.88	-	-
DEEPAK FERTILIZERS & PETROCHEMICALS CORP LIMITED	10	-	-	17,500	23.01	-	-
DELTON CABLES LIMITED	10	-	-	20	-	-	-

CONSOLIDATED FINANCIAL STATEMENTS

Notes to the Consolidated Financial Statements

(Rupees in Lakhs)

Particulars	Face Value	31.03.2020		31.03.2019		01.04.2018	
		Holding	Fair Value	Holding	Fair Value	Holding	Fair Value
		(in Nos)	(Rs in Lakhs)	(in Nos)	(Rs in Lakhs)	(in Nos)	(Rs in Lakhs)
DEWAN HOISING FINANCE CORPORATION LIMITED.	10	2,00,000	17.30	-	-	-	-
DCB BANK LIMITED	10	0	-	-	-	19,000	30.69
DHANLAXMI BANK LIMITED.	10	0	-	1,81,602	31.42	-	-
DHAMPUR SUGAR (KASHIPUR) LIMITED	10	89,767	-	89,767	-	89,767	-
DHAMPUR SUGAR MILLS LIMITED.	10	89,000	73.29	20,000	46.59	-	-
DLF LIMITED	2	72,000	98.96	1,00,000	202.45	-	-
DWARIKESH SUGAR INDUSTRIES LIMITED.	1	10,20,000	168.81	1,50,000	46.13	-	-
EMBASSY OFFICE PARKS REIT		20,000	70.15	-	-	-	-
EXCEL INDUSTRIES LIMITED.	5	16,396	73.26	-	-	-	-
FEDERAL BANK LIMITED	2	-	-	77,000	74.27	65,000	57.98
FIRST SOURCE LIMITED	10	-	-	-	-	25,000	13.25
FORTIS HEALTHCARE LIMITED	10	-	-	-	-	59,500	73.39
FUTURE CONSUMER LIMITED	6	5,00,000	36.50	3,20,000	143.52	-	-
GAIL (INDIA) LIMITED	10	1,50,000	114.83	20,000	69.53	-	-
GIC HOUSING FINANCE LIMITED	10	-	-	35,110	94.67	50,000	186.18
GLAXOSMITHKLINE CONSUMER HEALTHCARE LIMITED.	10	9,000	897.68	-	-	-	-
GLOBAL VECTRA HELICORP LIMITED.	10	7,000	2.51	-	-	-	-
GMR INFRASTRUCTURE LIMITED	1	8,00,000	130.80	10,50,000	207.90	1,25,000	21.06
GRANULES INDIA LIMITED.	1	40,000	57.46	2,98,000	341.06	4,34,388	448.51
GUJARAT HOTELS LIMITED	10	-	-	-	-	2,500	2.99
GUJRAT NARMADA VALLEY FERTILISERS & CHEMICALS LIMITED	10	13,000	14.91	-	-	-	-
GVK POWER & INFRASTRUCTURE LIMITED	1	3,00,000	6.75	75,000	5.74	-	-
HINDUSTAN UNILEVER LIMITED	1	-	-	20,000	341.36	15,000	200.00
HOTEL LEELA VENTURE LIMITED.	2	-	-	1,35,000	14.72	-	-
HOUSING & URBAN DELVELOPMENT CORP LIMITED	10	-	-	2,00,000	89.80	-	-
HIMADRI SPECIALITY CHEMICAL LIMITED	1	-	-	-	-	20,000	29.23
HITECH CORP. LIMITED.	10	-	-	-	-	36,000	51.89
HINDALCO INDUSTRIES LIMITED	1	-	-	-	-	15,000	32.18
HATSUN AGRO PRODUCTED LIMITED	1	-	-	-	-	10,000	69.15
HCL TECHNOLOGIES LIMITED	2	1,20,000	523.68	29,773	323.77	41,946	406.29
HERO MOTOCORP LIMITED.	2	500	7.98	-	-	-	-
HINDUSTAN CONSTRUCTION CO LIMITED	1	2,00,000	7.90	1,50,000	22.50	-	-
HINDUSTAN PETROLEUM CORP LIMITED	10	20,000	38.02	26,925	76.43	2,69,325	928.77
HOUSING DEVELOPMENT FINANCE CORP LIMITED	2	7,000	114.32	2,000	39.37	-	-
ICDS LIMITED	10	21,929	-	21,929	-	21,929	-
ICICI BANK LIMITED.	2	2,000	6.48	-	-	-	-
ICICI PRUDENTIAL LIFE INSURANCE LIMITED	10	-	-	-	-	20,000	77.72
IDBI BANK LIMITED	10	-	-	3,50,000	163.28	-	-
IDFC LIMITED	10	-	-	-	-	20,000	9.75
IDFC FIRST BANK LIMITED	10	10,00,000	211.00	6,49,500	360.47	-	-
IFCI Limited	10	2,00,000	8.10	-	-	-	-
IL&FS INVESTMENT MANAGERS LIMITED.	2	80,000	1.52	-	-	-	-
INDIABULLS HOUSING FINANCE LIMITED	2	-	-	2,500	21.46	-	-
IFGL REFRACTORIES LIMITED	10	-	-	-	-	77,541	189.16
INDIA GRID TRUST	100	-	-	-	-	5,103	4.82
INDIABULLS REAL ESTATE LIMITED	2	-	-	-	-	1,000	1.81
INDIA CEMENTS LIMITED.	10	20,000	21.17	-	-	-	-
INDIAN HOTELS CO. LIMITED.	1	26,000	19.50	-	-	22,000	28.47
INDIAN OIL CORPORATION LIMITED.	10	50,000	40.82	-	-	-	-
INDRAPRASTHA MEDICAL CORPORATION LIMITED.	10	1,16,000	39.32	-	-	-	-
INFOSYS LIMITED	5	2,50,000	1,603.75	3,85,198	2,865.30	2,45,099	2,774.03
INOX LEISURE LIMITED.	10	70,000	183.89	-	-	-	-
IRB INVIT FUND	102	-	-	-	-	5,000	4.10
IRCON INTERNATIONAL LIMITED.	2	25,200	96.02	-	-	-	-
ITC LIMITED.	1	1,50,000	257.55	-	-	20,000	51.10
JAIN IRRIGATION SYSTEMS LIMITED.	2	-	-	-	-	42,000	44.71
JAIN IRRIGATION SYSTEMS AND FERTILIZERS LIMITED.	2	-	-	1,20,000	70.68	-	-
JAGRAN PRAKASHAN LIMITED	2	-	-	15,005	18.90	-	-
JK PAPER LIMITED	10	-	-	44,500	63.13	-	-
JINDAL STAINLESS (HISAR) LIMITED	2	-	-	10,000	9.38	-	-
JAIPRAKASH ASSOCIATES LIMITED.	2	4,00,000	4.20	2,00,000	10.90	6,00,000	113.40
JAIPRAKASH POWER VENTURES LIMITED	10	2,00,000	1.20	2,00,000	3.70	5,00,000	23.75
JAMMU AND KASHMIR BANK LIMITED	1	5,75,000	71.59	50,000	26.85	-	-
JAYPEE INFRATECH LIMITED	10	50,000	0.33	50,000	1.22	1,20,000	10.08
JK TYRE & INDUSTRIES LIMITED	2	5,00,000	203.00	6,00,000	551.10	7,00,000	1,140.65
KCP SUGAR INDUSTRIES CORPORATION LIMITED	1	-	-	17,000	2.79	-	-

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Particulars	Face Value	31.03.2020		31.03.2019		01.04.2018	
		Holding	Fair Value	Holding	Fair Value	Holding	Fair Value
		(in Nos)	(Rs in Lakhs)	(in Nos)	(Rs in Lakhs)	(in Nos)	(Rs in Lakhs)
KARNATAKA BANK LIMITED	10	-	-	-	-	5,000	5.75
K.M.SUGAR MILLS LIMITED.	2	1,99,490	12.57	-	-	-	-
KALYANI STEEL LIMITED	5	4,00,000	509.60	4,97,913	1,069.02	5,41,383	1,610.61
LANCO INFRATECH LIMITED	1	5,000	-	5,000	0.02	5,000	0.06
L&T FINANCE HOLDING LIMITED	10	22,000	11.29	25,000	38.14	20,000	31.42
LUPIN LIMITED.	2	-	-	-	-	20,000	147.17
LIC HOUSING FINANCE LIMITED	2	-	-	19,000	101.12	-	-
LARSEN & TOUBRO LIMITED.	2	27,500	222.34	-	-	10,000	131.09
MBL INFRASTRUCTURES LIMITED.	10	5,03,735	13.60	3,50,000	45.68	3,50,000	67.90
MEGHMANI ORGANICS LIMITED	1	61,50,000	2,278.58	60,40,000	3,690.44	62,30,000	5,248.78
MERCATOR LIMITED.	1	11,00,000	6.60	3,00,000	20.70	2,00,000	69.10
MMTC LIMITED.	1	-	-	50,000	14.00	1,00,000	55.55
MISHRA DHATU NIGAM LIMITED.	10	25,000	44.71	-	-	-	-
NAVVAR CORPORATION LIMITED	10	-	-	-	-	5,000	7.54
NEW DELHI TELEVISION LIMITED	4	-	-	-	-	60,102	24.58
NIRLON LIMITED	10	-	-	-	-	3,000	5.99
NEO CORP INTERNATIONAL LIMITED	10	37,12,515	-	37,12,515	56.43	37,12,515	92.81
NESCO LIMITED	2	-	-	7,537	36.38	-	-
NATIONAL ALUMINIUM CO. LIMITED.	5	1,00,000	29.10	-	-	19,000	12.63
NATIONAL FERTILIZERS LIMITED.	10	70,116	12.87	-	-	-	-
NBCC INDIA LIMITED	1	8,00,000	130.40	4,00,000	265.20	71,500	136.14
NCC LIMITED	2	3,15,000	59.07	1,50,000	169.27	80,000	94.04
NETWOK 18 MEDIA & INVESTMENTS LIMITED.	5	10,000	1.84	-	-	35,000	20.95
NMDC LIMITED	1	1,50,000	120.00	2,79,000	291.41	-	-
NTPC LIMITED.	10	1,30,000	109.46	-	-	-	-
OIL AND NATURAL GAS CORPORATION LIMITED	5	2,50,000	170.75	50,000	79.88	-	-
ORRISA SPONGE IRON & STEEL LIMITED	10	2,936	-	2,936	-	2,936	-
PARSAVNATH DEVELOPERS LIMITED.	5	7,66,767	9.58	6,36,103	39.44	6,06,103	90.01
PHILLIPS CARBON BLACK LIMITED.	2	500	0.31	-	-	-	-
PNC INFRATECH LIMITED	10	-	-	-	-	15,000	26.31
PRAJ INDUSTRIES LIMITED.	2	-	-	50,000	77.55	-	-
POWER GRID CORPORATION OF INDIA LIMITED	10	1,00,000	159.10	50,000	98.95	15,000	28.99
PRAKASH INDUSTRIES LIMITED.	10	52,000	10.14	-	-	15,000	25.36
PUNJAB WIRELESS SYSTEMS LIMITED	10	500	-	500	-	500	-
PUNJAB NATIONAL BANK	2	33,30,300	1,077.36	75,000	71.62	-	-
RASHTRIYA CHEMICALS & FERTILIZERS LIMITED	10	1,30,000	36.86	-	-	1,00,000	73.20
RBL BANK LIMITED.	10	65,000	88.08	-	-	-	-
REC LIMITED.	10	8,000	7.10	-	-	-	-
RELAXO FOOTWEAR LIMITED	1	2,66,30,063	1,59,500.77	1,43,74,225	1,10,789.34	1,44,36,791	92,698.64
RELIANCE INDUSTRIES LIMITED.	10	600	6.68	-	-	-	-
RELIANCE POWER LIMITED.	10	2,00,000	2.50	-	-	-	-
SBI CARDS & PAYMENT SERVICES LIMITED.	10	3,060	18.93	-	-	-	-
SHREE PUSHKAR CHEMICALS & FERTILIZER LIMITED.	10	-	-	12,500	20.52	27,960	56.81
SINTEX PLASTICS TECHNOLOGY LIMITED	1	-	-	-	-	20,000	11.50
SOM DISTILLERIES & BREWERIES LIMITED	10	-	-	-	-	5,000	11.29
SOMI CONVEYOR BELTINGS LIMITED	10	-	-	-	-	40,000	19.28
SUN PHARMACEUTICALS IND LIMITED	1	-	-	-	-	10,000	49.51
SMS PHARMACEUTICALS LIMITED.	1	-	-	50,252	31.51	-	-
SHARDA CROPCHEM LIMITED.	10	11,182	12.00	-	-	-	-
SPICEJET LIMITED	10	90,000	33.08	-	-	-	-
STATE BANK OF INDIA	1	2,00,000	393.70	1,00,000	320.75	42,000	104.96
STEEL AUTHORITY OF INDIA LIMITED	10	1,50,000	34.57	1,75,000	94.06	60,000	42.12
STEL HOLDINGS LIMITED	10	2,33,183	89.78	2,34,583	233.17	2,90,259	288.23
STOVEC INDUSTRIES LIMITED.	10	100	1.59	-	-	-	-
SUMITOMO CHEMICAL INDIA LIMITED.	10	25,000	46.18	-	-	-	-
SUMMIT SECURITIES LIMITED	10	1,54,419	424.42	1,58,554	936.02	1,81,561	1,434.42
SURANA INDUSTRIES LIMITED	10	4,50,000	-	4,50,000	-	4,50,000	9.45
SURYA ROSHNI LIMITED	10	5,77,800	363.44	6,45,392	1,628.32	8,02,000	3,059.63
TATA CHEMICALS LIMITED.	10	2,500	5.59	-	-	-	-
TATA CONSUMER PRODUCTS LIMITED.	1	2,850	8.40	-	-	-	-
TATA STEEL LIMITED	10	-	-	-	-	5,933	33.88
THOMAS SCOTT (INDIA) LIMITED	10	-	-	-	-	5,477	0.79
TORRENT POWER LIMITED	10	-	-	-	-	30,000	68.78
THE BOMBAY BURMAH TRADING CORPORATION LIMITED	2	17,200	125.96	21,000	272.80	25,000	292.70
THE SOUTH INDIAN BANK	1	-	-	4,50,000	74.25	2,00,000	45.60
TIDE WATER OIL COMPANY INDIA LIMITED	5	-	-	207	10.60	-	-

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Particulars	Face Value	31.03.2020		31.03.2019		01.04.2018	
		Holding	Fair Value	Holding	Fair Value	Holding	Fair Value
		(in Rs)	(in Nos)	(Rs in Lakhs)	(in Nos)	(Rs in Lakhs)	(in Nos)
TATA POWER COMPANY LIMITED.	1	50,000	16.42	-	-	-	-
TATA STEEL BSL LIMITED	2	12,00,000	197.41	4,13,767	121.86	-	-
TCI INDUSTRIES LIMITED	10	9,544	55.45	9,544	80.17	9,544	81.61
TECHNOCRAFT INDUSTRIES (INDIA) LIMITED	10	2,17,669	396.27	2,49,000	1,382.57	3,80,424	1,858.37
TRIDENT LIMITED.	1	20,00,000	85.00	-	-	20,000	11.85
TRIVENI TURBINE LIMITED	1	-	-	-	-	20,000	20.10
TRIVENI ENGINEERING & INDUSTRIES LIMITED.	1	10,53,650	383.53	2,02,441	123.79	-	-
UCO BANK	10	-	-	50,000	9.40	-	-
UNION BANK OF INDIA	10	-	-	25,000	23.90	-	-
UNITED BANK OF INDIA	10	-	-	50,000	5.55	-	-
UJAAS ENERGY LIMITED	1	-	-	-	-	2,75,000	41.53
UNIPLY INDUSTRIES LIMITED.	10	-	-	-	-	10,000	37.82
UTI MASTER PLUS 91	10	200	-	200	-	200	-
VASCON ENGINEERS LIMITED	10	-	-	-	-	10,000	3.32
VA TECH WABAG LIMITED	2	75,000	61.77	30,000	98.73	-	-
VINATI ORGANICS LIMITED.	1	5,000	38.72	-	-	-	-
VISAKA INDUSTRIES LIMITED	2	-	-	-	-	16,069	103.93
VODAFONE IDEA LIMITED	10	6,00,000	18.60	2,88,000	52.56	-	-
WIPRO LIMITED	2	-	-	50,000	127.40	-	-
WELSPUN ENTERPRISES LIMITED	10	-	-	22,000	23.42	20,000	28.27
YES BANK LIMITED.	2	1,81,250	40.69	-	-	-	-
Total (i)			1,76,947.22		1,33,412.12		1,21,440.28
(At Fair Value Through Other Comprehensive Income)							
ii) Unquoted Equity Shares							
Indhradhan Agro Limited.	10	1,50,000	-	1,50,000	-	1,50,000	-
Invest India Economic Foundation Private Limited.	10	2,000	-	2,000	-	2,000	-
Sunair Hotels Limited.	10	95,94,824	3,337.11	95,94,824	3,095.56	95,94,824	3,095.56
VLS Capital Limited (#)	0	0	-	0	-	0	-
Dewdrop Career Solutions Private Limited	10	10,000	-	10,000	-	10,000	-
MPL Enterprises Limited	10	5,482	1.31	5,482	1.31	5,482	1.31
Runeecha Textiles Limited	10	3,57,600	-	3,57,600	-	3,57,600	-
BMS IT Institute Private Limited	10	-	-	56,00,000	2,492.00	56,00,000	2,492.00
Cox & Kings Financials Limited	10	-	-	10,167	1.02	-	-
Embassy Office Parks REIT	300	-	-	11,200	33.60	-	-
Total (ii)			3,338.42		5,623.49		5,588.87
iii) Bonds/Debentures							
(a) Tax free Bonds :Quoted & Fully Paid-up							
(At Fair Value Through Other Comprehensive Income)							
- IRFC (NO)	1,000	16,507	193.96	16,507	191.15	16,507	189.34
- NHAI (NA)	1,000	2,81,528	3,223.52	2,81,528	3,151.37	2,81,528	3,099.62
- NHAI (NE)	1,000	86,668	1,022.68	85,378	988.25	85,378	981.68
- NHB BOND (N2)	5,000	7,000	430.50	-	-	-	-
- IRFC (N2)	1,000	1,00,000	1,165.00	-	-	-	-
- REC (NI)	1,000	1,00,000	1,165.05	-	-	-	-
Total (iii)(a)			7,200.71		4,330.77		4,270.64
(b) Debentures : Unquoted & Fully Paid-up							
(At amortized cost)							
SRGP CORPORATION LIMITED	100	3,50,000	350.00	3,50,000	350.00	3,50,000	350.00
(18% Secured and Non convertible debentures)							
Total (iii)(b)			350.00		350.00		350.00
Total (iii)(a)+(iii)(b)			7,550.71		4,680.77		4,620.64
iv) Preference shares							
(At Fair Value Through Other Comprehensive Income)							
Quoted & Fully Paid							
VEDANTA LIMITED	10	-	-	-	-	6,86,000	68.26
Total (iv)							68.26
v) Quoted Partly paid-up shares							
(At Fair Value Through Other Comprehensive Income)							
Quoted & Partly Paid							
TATA STEEL LIMITED	10	500	0.15	500	0.32	500	0.70
HATSUN AGRO PRODUCTED LIMITED	1	-	-	702	3.73	-	-
Total (v)			0.15		4.05		0.70

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Particulars	Face Value (in Rs)	31.03.2020		31.03.2019		01.04.2018	
		Holding	Fair Value	Holding	Fair Value	Holding	Fair Value
		(in Nos)	(Rs in Lakhs)	(in Nos)	(Rs in Lakhs)	(in Nos)	(Rs in Lakhs)
vi) Mutual Funds/PMS							
(At Fair Value Through Other Comprehensive Income)							
UNITS IN ICICI PRUDENTIAL REAL ESTATE AIF -II		1,30,524	70.63	1,30,524	131.28	1,49,185	152.85
UNITS IN IIFL REAL ESTATE FUND(DOMESTIC SERIES 3		19,26,894	137.75	19,26,894	182.44	19,26,894	199.07
BARODA PIONEER BALANCE FUND-PLAN B (DIV)		-	-	-	-	9,66,701	185.32
BARODA HYBRID EQUITY FUND-PLAN B (DIV)		9,66,701	54.62	9,66,701	177.10	-	-
(Formerly BARODA PIONEER BALANCE FUND-PLAN B (DIV))		-	-	-	-	-	-
BARODA DYNAMIC EQUITY FUND-PLAN B (DIV)		5,00,000	50.55	5,00,000	53.20	-	-
BARODA EQUITY SAVING PLAN-DIRECT DIVIDEND		10,00,000	100.30	-	-	-	-
EDELWEISS CROSSOVER OPPORTUNITIES FUND-CLASS A1		14,35,917	164.53	14,35,917	145.63	7,70,509	85.14
UTI STRUCTURED DEBT OPPORTUNITIES FUND I -CLASS A4		2,68,98,757	992.34	2,68,98,757	486.03	2,51,74,522	252.03
ACCURACAP CONSULTANT SERVICES P LIMITED		PMS	28.63	PMS	38.45	-	48.46
MOTILAL OSWAL ASSET MANAGEMENT CO LIMITED		PMS	104.59	PMS	218.02	-	231.44
GLOBE CAPITAL MARKETS LIMITED		PMS	961.86	PMS	1,573.16	-	1,045.71
Total (vi)			2,665.80		3,005.31		2,200.02
vii) Others							
Unquoted and Fully paid-up Equity shares							
Associate Company							
(At amortized cost)							
VLS Capital Limited	10	93,20,833	13,577.61	88,20,833	10,382.46	88,20,833	10,024.53
Total (vii)			13,577.61		10,382.46		10,024.53
Grand Total (i) to (vii)			2,04,079.91		1,57,108.20		1,43,943.30

(Rupees in Lakhs)

Note No.	PARTICULARS	As at		
		31.03.2020	31.03.2019	01.04.2018
9	Other Financial Assets			
	(Unsecured, considered good)			
	a) Margin Money Deposits			
	-Share brokers	1271.86	1324.57	1143.46
	-Others	5.00	5.00	5.00
	b) Security deposits	340.65	265.65	140.44
	c) Others	5754.15	0.88	0.81
	d) Interest accrued	7.91	6.78	5.47
	Total	7,379.57	1,602.88	1,295.18

(Rupees in Lakhs)

Note No.	PARTICULARS	As at		
		31.03.2020	31.03.2019	01.04.2018
10	Current Tax Assets (Net)			
	Advance Tax and Tax Deducted at source	2109.14	2755.41	2335.90
	Less: Tax Provisions	760.17	2292.22	1853.22
	Total	1348.97	463.19	482.68

Note No: 11. Property, Plant and Equipment

(Rupees in Lakhs)

Description	Building	Temporary Structure	Vehicles	Office Equipments	Furniture & fixtures	Air Conditioners	Computers	Electrical Installatoinis	Generator	Assets on Lease	Right to use Assets (IndAs 116)	Total
Gross Carrying Amount												
Balance as at 01.04.2018	1110.96	6.89	77.57	25.59	13.51	15.16	62.57	2.45	4.31	12066.67	0.00	13385.68
Additions during the year	0.00	0.00	16.16	0.84	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17.00
Sales/ Adjustments during the year	0.00	0.00	0.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.48
Balance as at 31.03.2019	1110.96	6.89	93.25	26.43	13.51	15.16	62.57	2.45	4.31	12066.67	0.00	13402.20
Balance as at 01.04.2019	1,110.96	6.89	93.25	26.43	13.51	15.16	62.57	2.45	4.31	12,066.67	0.00	13,402.20
Additions during the year	0.00	0.00	33.03	2.92	0.00	0.00	4.63	0.00	0.00	0.00	73.95	114.53
Sales/ Adjustments during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31.03.2020	1,110.96	6.89	126.28	29.35	13.51	15.16	67.20	2.45	4.31	12,066.67	73.95	13,516.73
Accumulated Depreciation												
Balance as at 01.04.2018	185.73	6.89	63.84	20.30	11.57	12.49	59.11	2.33	4.09	12065.67	0.00	12432.02
Depreciation for the year	45.03	0.00	8.57	2.42	0.44	0.64	1.74	0.00	0.00	0.00	0.00	58.84


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Description	Building	Temporary Structure	Vehicles	Office Equipments	Furniture & fixtures	Air Conditioners	Computers	Electrical Installatoinis	Generator	Assets on Lease	Right to use Assets (IndAs 116)	Total
Sales/ Adjustments during the year	0.00	0.00	0.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.32
Balance as at 31.03.2019	230.76	6.89	72.09	22.72	12.01	13.13	60.85	2.33	4.09	12065.67	0.00	12490.54
Balance as at 01.04.2019	230.76	6.89	72.09	22.72	12.01	13.13	60.85	2.33	4.09	12,065.67	0.00	12,490.54
Depreciation for the year	42.84	0.00	11.25	2.00	0.32	0.39	1.48	0.00	0.00	0.00	57.65	115.93
Sales/ Adjustments during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31.03.2020	273.60	6.89	83.34	24.72	12.33	13.52	62.33	2.33	4.09	12,065.67	57.65	12,606.47
Net Carrying Amount												
As at 01.04.2018	925.23	-	13.73	5.29	1.94	2.67	3.46	0.12	0.22	1.00	-	953.66
As at 31.03.2019	880.20	0.00	21.16	3.71	1.50	2.03	1.73	0.12	0.22	1.00	0.00	911.67
As at 31.03.2020	837.36	0.00	42.94	4.64	1.18	1.63	4.87	0.12	0.22	1.00	16.30	910.26

Note No: 11. Other Intangible assets

(Rupees in Lakhs)

Description	Computer Software											Total
Gross Carrying Amount												
Balance as at 01.04.2018	10.81											10.81
Additions during the year	0.11											0.11
Sales/ Adjustments during the year	0.00											0.00
Balance as at 31.03.2019	10.92											10.92
Balance as at 01.04.2019	10.92											10.92
Additions during the year	0.30											0.30
Sales/ Adjustments during the year	0.00											0.00
Balance as at 31.03.2020	11.22											11.22
Accumulated Depreciation												
Balance as at 01.04.2018	9.56											9.56
Depreciation for the year	0.55											0.55
Sales/ Adjustments during the year	0.00											0.00
Balance as at 31.03.2019	10.11											10.11
Balance as at 01.04.2019	10.11											10.11
Depreciation for the year	0.37											0.37
Sales/ Adjustments during the year	0.00											0.00
Balance as at 31.03.2020	10.48											10.49
Net Carrying Amount												
As at 01.04.2018	1.25											1.25
As at 31.03.2019	0.81											0.81
As at 31.03.2020	0.74											0.74

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(Rupees in Lakhs)

Note No.	PARTICULARS	As at		
		31.03.2020	31.03.2019	01.04.2018
12	Other non-financial assets			
	Unsecured and considered good			
	Capital Advances	772.71	96.01	1.00
	Prepaid Expenses	10.66	13.69	8.10
	Advances recoverable in cash or kind	7.34	6.32	8.68
	Secured and considered good			
	Taxes due from Government	-	-	4.30
	Total	790.71	116.02	22.08
13	Payables			
	Trade Payables			
a)	Total outstanding dues of micro enterprises and small enterprises	0	0	0
	Total	0	0	0
b)	Total outstanding dues of creditors other than micro enterprises and small enterprises			
	- Payable to share brokers	203.56	949.90	482.52
	- other payables	17.08	15.12	16.40
	Total	220.64	965.02	498.92
	Other Payables			
a)	Total outstanding dues of micro enterprises and small enterprises	0.00	0.00	0.00
	Total	0.00	0.00	0.00

(Rupees in Lakhs)

Note No.	PARTICULARS	As at		
		31.03.2020	31.03.2019	01.04.2018
b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	25.86	14.08	12.76
	Total	25.86	14.08	12.76
14	Borrowings (Other than debt securities)			
	Secured Loans from Banks			
	(Secured against Pledge of Fixed Deposit)	22.89	14.35	-
	Total	22.89	14.35	-
15	Other financial liabilities			
a)	Unpaid dividends accounts	80.75	53.95	-
b)	Creditors for capital goods	61.84	30.04	21.13
	Others	18.32	-	0.01
	Total	160.91	83.99	21.14
16	Provisions			
	Provisions for employee benefits	80.64	76.90	64.87
	Total	80.64	76.90	64.87

Note 17 : Deferred tax liabilities (net)

(Rupees in Lakhs)

Particulars	As at	As at	As at
	31 March 2020	31 March 2019	1 April 2018
Deferred tax liability on account of :			
Timing difference on Property, plant and equipment as per books and Income Tax Act, 1961	39.45	45.56	34.16
IndAS Adjustments	49,382.94	35,400.29	31,192.42
Total deferred tax liabilities (A)	49,422.39	35,445.85	31,226.58
Deferred tax assets on account of:			
Timing difference on Property, plant and equipment as per books and Income Tax Act, 1961	-	-	-
Provision for leave encashment/Gratuity (Employee benefits)	20.30	25.93	21.85
Business loss carried forward	105.97	147.14	145.73
IndAS Adjustments	6,313.48	1,600.20	29.19
Total deferred tax assets (B)	6,439.76	1,773.27	196.77
Net deferred tax assets / (liability) (B-A)	(42,982.64)	(33,672.58)	(31,029.81)

Statement of Deferred Tax Assets and Deferred Tax Liabilities

(Rupees in Lakhs)

Particulars	As at	Recognised	Recognised	As at	Recognised	Recognised	As at
	31 March 2020	through profit and loss	through Other comprehensive income	31 March 2019	through profit and loss	through Other comprehensive income	1 April 2018
Deferred tax liabilities on account of:							
Timing difference on Property, plant and equipment as per books and Income Tax Act, 1961	39.45	(6.11)	-	45.56	11.40	-	34.16
Deferred tax on IND AS adjustments	49,382.94		13,982.65	35,400.29	-	4,207.87	31,192.42
Total deferred tax liabilities	49,422.39	(6.11)	13,982.65	35,445.85	11.40	4,207.87	31,226.58
Deferred tax assets on account of:							
Deferred Tax on Ind AS Adjustments	6,313.48		4,713.28	1,600.20		1,571.01	29.19
Provision for leave encashment/Gratuity (Employee benefits)	20.30	(5.63)	-	25.93	4.08	-	21.85
Business loss carried forward	105.97	(41.17)	-	147.14	1.41	-	145.73
Provision for impairment of non-current investments	-	-	-	-	-	-	-
Total deferred tax assets	6,439.75	(46.80)	4,713.28	1,773.27	5.49	1,571.01	196.77
Total deferred tax Assets/(liability) (net)	(42,982.64)	(40.69)	(9,269.37)	(33,672.58)	(5.91)	(2,636.86)	(31,029.81)

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Note No: 18 Other non-financial liabilities	As at		
	31.03.2020	31.03.2019	01.04.2018
Statutory dues payable	30.13	43.09	31.56
Total	30.13	43.09	31.56

(Amount Rupees in Lakh)

Note No: 19 Equity share capital	As at 31-Mar-20		As at 31-Mar-19		As at 1-April-18	
	Number	Amount	Number	Amount	Number	Amount
Authorised Capital						
15,00,00,000 Equity Shares of Rs.10/- each	15,00,00,000	15,000.00	15,00,00,000	15,000.00	15,00,00,000	15,000.00
Total	15,00,00,000	15,000.00	15,00,00,000	15,000.00	15,00,00,000	15,000.00
Issued Capital						
3,91,29,517 Equity Shares of Rs.10/- each	3,91,29,517	3,912.95	3,91,29,517	3,912.95	3,91,29,517	3,912.95
Total	3,91,29,517	3,912.95	3,91,29,517	3,912.95	3,91,29,517	3,912.95

Terms / rights attached to shares

The Company has one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

Subscribed & Paid-up Capital

(Amount Rupees in Lakh)

3,86,62,017 Equity Shares of Rs.10/- each fully paid up for cash	3,86,62,017	3,866.20	3,86,62,017	3,866.20	3,86,62,017	3,866.20
Add: Amount forfeited on 4,67,500 equity shares		12.22		12.22		12.22
Total	3,86,62,017	3,878.42	3,86,62,017	3,878.42	3,86,62,017	3,878.42

(Of the above 3,31,62,500 fully paid-up equity shares have been issued as bonus shares by way of capitalisation of security premium)

Reconciliation of number of shares outstanding

(Amount Rupees in Lakh)

	As at 31-Mar-20		As at 31-Mar-19		As at 1-April-18	
	Number	Amount	Number	Amount	Number	Amount
Equity shares at beginning of the year	3,86,62,017	3,866.20	3,86,62,017	3,866.20	3,86,62,017	3,866.20
Equity shares at the end of the year	3,86,62,017	3,866.20	3,86,62,017	3,866.20	3,86,62,017	3,866.20

List of shareholders holding more than 5% of the total number of equity shares issued by the Company

Name of shareholder	As at 31-Mar-20		As at 31-Mar-19		As at 1-April-18	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
VLS Capital Limited	1,33,36,538	34.50	1,33,36,538	34.50	1,33,36,538	34.50

(Rupees in Lakhs)

Note No: 20 Other Equity	As at 31-Mar-20	As at 31-Mar-19	As at 1-April-18
a) General reserve			
Balance at the beginning of the year	2,878.45	2,878.45	2,878.45
Add: during the year	-	-	-
Balance as at end of the year	2,878.45	2,878.45	2,878.45
b) Securities premium			
Balance at the beginning of the year	10,052.27	10,052.27	10,052.27
Add: during the year	-	-	-
Balance as at end of the year	10,052.27	10,052.27	10,052.27
c) Capital Redemption Reserve			
Balance at the beginning of the year	120.13	120.13	120.13
Add: during the year	-	-	-
Balance as at end of the year	120.13	120.13	120.13
d) Retained earnings			
Balance at the beginning of the year	14,417.47	11,331.71	13,333.32
Adjustments for effect of transition to IndAS:	-	-	-
- Consolidation adjustment for Associates Profit/(loss) for the year	3,401.15	(345.20)	-
Consolidation adjustment for Associates	523.42	(72.22)	-
Transfer from/to FVTOCI to Retained Earnings	17,985.76	3,969.27	-
Dividend Paid and Dividend Distribution tax thereon Paid	(466.09)	(466.09)	-
Right to use assets (Ind AS 116)	(6.34)	-	-
Balance as at end of the year	35,855.37	14,417.47	11,331.71

(Rupees in Lakhs)

Note No: 20 Other Equity Contd...	As at 31-Mar-20	As at 31-Mar-19	As at 1-April-18
e) Fair value gain on equity and other instruments carried through other comprehensive income			
Balance at the beginning of the year	97,219.21	89,477.27	-
Adjustment for effect of Transition to IndAS	-	-	83,080.96
Adjustment for effect of Transition to IndAS:			
- Consolidation adjustment for Associates			6,396.31
Other Comprehensive Income during the year (net of tax)	40,756.18	11,281.07	-
Consolidation adjustment for Associates	2,371.73	430.14	-
Transfer from/to FVTOCI to Retained Earnings	(17,985.76)	(3,969.27)	-
Balance as at end of the year	1,22,361.36	97,219.21	89,477.27
f) Remeasurement of Defined Benefit Plans			
Balance at the beginning of the year	11.31	6.14	-
Adjustment for effect of Transition to Ind AS	-	-	6.14
Adjustment for effect of Ind AS	7.90	5.17	-
Balance as at end of the year	19.21	11.31	6.14
Total (a to f)	1,71,286.79	1,24,698.84	1,13,865.97

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Note No: 20 Other Equity contd...	As at 31-Mar-20	As at 31-Mar-19	As at 1-April -18
Non-Controlling Interest			
Retained earnings			
Balance at the beginning of the year	164.37	138.23	1.75
Adjustments for effect of transition to IndAS	-	-	136.48
Profit/(loss) for the the year	0.51	(0.61)	-
Other Comprehensive Income during the year (net of tax)	84.70	26.75	-
Total	249.58	164.37	138.23

Note No.	PARTICULARS	For the Year ended	
		31.03.2020	31.03.2019

21 Interest Income			
Interest income from Investments:-			
-Interest income from Tax Free Bonds		351.75	282.15
-Interest income from Debentures		52.64	52.50
Interest income from PMS/MF Investments		94.99	85.69
Interest on Margin Deposits with Share Brokers/stock exchange		38.90	34.58
Interest on deposits with Banks		77.85	60.89
Total		616.13	515.81

22 Dividend Income			
Dividend - on Non-Current Investments		1,123.44	714.40
Total		1,123.44	714.40

23 Net gain on fair value changes			
Net gain/ (loss) on financial instruments at fair value through		1,214.68	(1,585.06)
Profit and loss account			
Total		1,214.68	(1,585.06)

24 Trading in Shares/securities (Net)			
Sale of Shares/Securities/Mutual funds		3,33,968.68	2,97,901.67
Purchase of Shares/Securities/Mutual funds		(3,37,972.06)	(2,97,518.46)
Change in Stock of Shares -Increase / (Decrease)		1,194.51	(65.00)
Total		(2,808.87)	318.21

25 Other Operating Income			
Securities Lending Fees		42.68	3.67
Brokerage Income		52.74	35.99
Total		95.42	39.66

26 Other Income			
Rent Receipts		60,000.00	60,000.00
Adjust - Debit and credit between VLSFIN & VLSSEC		60,000.00	60,000.00
Misc Balances/Unspent liabilities written back (net)		5.91	0.38
Reimbursement of expenses recovered		-	1.00
Interest on staff loans and advances		1.47	2.40
Interest on income tax refund		2.87	-
On Financial Assets measured at Amortised Cost		1.34	1.72
Others		0.13	0.49
Share of Profit/(Loss) of Associates		523.42	(72.22)
Total		535.14	(66.23)

Note No.	PARTICULARS	For the Year ended	
		31.03.2020	31.03.2019

27 Employee benefits expense			
Salaries		354.63	350.05
Staff Amenities/welfare expenses		8.99	3.26
Employer's Contribution to PF, ESI, Gratuity Fund etc.		43.56	62.35
Total		407.18	415.66

28 Finance Costs			
Bank / Finance Charges		0.86	0.83
Interest Payment on Loans/overdraft facilities		0.19	0.12
Interest on Right of Use assets -AS116		5.51	-
Total		6.56	0.95

29 Other expenses			
Advertisement & Business Promotion		26.03	22.05
Consultancy, Legal & Service Charges		219.30	292.12
Communication Expenses		10.56	13.19
Electricity & Water Charges		10.80	10.63
Insurance		1.06	0.96
Office Expenses		49.60	50.75
Shares Transaction Charges		68.69	42.83
Travelling Expenses & Conveyance		60.90	40.50
Rates & Taxes		78.45	100.40
Rent		-	63.90
Repairs & Maintenance			
--Building		-	-
--Others		14.92	14.03
Miscellaneous Expenses		90.24	93.43
CSR Expenditure		77.00	-
Auditors' Remuneration			
a) Audit Fees		1.98	1.97
b) For Other Services			
--For Tax audit		0.98	0.97
-- For certification		1.60	1.89
--Out of pocket expenses		0.55	0.55
Internal Auditors' Remuneration			
-- Fees		0.80	0.80
--For certification		0.05	0.10
Directors' Sitting Fees		14.95	16.58
Loss on sale/transfer of assets		-	0.03
Total		728.46	767.68

30 Earnings per equity share			
Net profit/(Loss) attributable to equity shareholders		3,925.08	(418.03)
Total (A) (Amount in Lakh)		3,925.08	(418.03)
Weighted average number of equity shares issued (face value of R 10 each)		3,86,62,017	3,86,62,017
Total (B) (In Numbers)		3,86,62,017	3,86,62,017
Basic earnings per share [A/B] (In Rupees)		10.15	(1.08)
Net Profit/(Loss) attributable to equity shareholders [C] (Rs in lakhs)		3,925.08	(418.03)
Less : Impact on net profit due to exercise of diluted potential equity shares [D]		-	-
Net profit/(Loss) attributable to equity shareholders for calculation of diluted EPS [C-D] (Rs in lakhs)		3,925.08	(418.03)
Weighted average of equity shares issued (face value of R 10 each) (In numbers) [E]		3,86,62,017	3,86,62,017
Weighted number of additional equity shares outstanding for diluted EPS (In numbers) [F]		-	-
Weighted number of equity shares outstanding for diluted EPS (In numbers) [E+F]		3,86,62,017	3,86,62,017
Diluted earnings per share [C-D/E+F] (In Rupees)		10.15	(1.08)

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Note 31 Related party transactions:

List of Related Parties and Relationships:

- a) Key Managerial Personnel:
1. Shri M.P.Mehrotra (Executive Vice Chairman in VLS Finance Limited)
 2. Shri S. K. Agarwal (Managing Director in VLS Finance Limited and VLS Securities Limited)
 3. Shri K. K. Soni (Director Finance & CFO in VLS Finance Limited and Director in VLS Securities Limited)
 4. Shri H Consul (Company Secretary in VLS Finance Limited)
 5. Mr Anurag Bhatnagar (CFO in VLS Securities Limited)
 6. Mr IJS Aujla (Company Secretary in VLS Securities Limited)
- b) Associate:
1. VLS Capital Limited
- c) Others:
1. South Asian Enterprises Limited
 2. Mr Vikas Mehrotra (Director in VLS Finance Limited and VLS Securities Limited)
 3. Ms Divya Mehrotra (Director in VLS Securities Limited)
 4. M/s Vinayak Pharma – Related to Mr S.K. Agarwal, Managing Director

Transactions with Related Parties in the group:

Nature of Transaction	Related Party Type	Year Ended March 31, 2020	Year Ended March 31, 2019	Year Ended March 31, 2018
Remuneration to Executive Vice Chairman (VLS Finance Limited-with effect from 01/08/2017)	Key Managerial Personnel	60.00	60.00	40.00
Remuneration to Managing Director (VLS Finance Limited)	Key Managerial Personnel	35.03	35.39	30.75
Remuneration to Director- Finance & CFO (VLS Finance Limited)	Key Managerial Personnel	33.63	33.92	29.55
Remuneration to Company Secretary (VLS Finance Limited)	Key Managerial Personnel	21.99	21.99	19.72
Remuneration to CFO (VLS Securities Limited)	Key Managerial Personnel	21.69	21.69	18.48
Brokerage earned	Others	0.66	1.17	Nil
Interest paid on margin money deposits	Others	4.95	8.02	4.03
Security Deposit Paid	Others	505.00	Nil	Nil
Purchase of Shares	Others	300.00	Nil	Nil
Sanitizer and other Medical consumables/ equipments purchased (COVID-19 preventive measures)	Others	0.03	Nil	Nil
Advertisement Charges Paid	Others	Nil	Nil	5.75
Sitting Fees to Directors	Key Managerial Personnel	14.87	16.58	11.29
Outstanding Balance at the year end	Others			
1.Security Deposits Paid		505.00	Nil	Nil
2.Other receivables		2.58	Nil	Nil

Note 32 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximize the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio as less as possible. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

	31 March 2020	31 March 2019	01 April 2018
Borrowings	22.89	14.35	-
Trade payables	220.64	965.02	498.93
Other payables	25.86	14.08	12.76
Less: cash and cash equivalents	1,966.33	1,569.54	1,289.31
Net debt	-	-	-
Total capital	1,75,424.84	1,28,751.69	1,17,892.68
Gearing ratio	NA	NA	NA

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no

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breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

Note 33. a. Dues to Micro and small Suppliers

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 02 October 2006, certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Group, the following disclosures are made for the amounts due to the Micro and Small Enterprises.

There are no dues outstanding of an entity, which is registered as the Micro, Small and Medium Enterprises defined under 'The Micro, Small and Medium Enterprises Development Act, 2006'

(Rupees in Lakhs).

Particulars	31 March 2020	31 March 2019	01 April 2018
Principal amount remaining unpaid to any supplier as at the period end.	Nil	Nil	Nil

Note 35 Fair Value

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value			Fair value		
	31 March 2020	31 March 2019	01 April 2018	31 March 2020	31 March 2019	01 April 2018
Financial assets						
Other financial assets	7,379.57	1,602.87	1,295.18	7,379.57	1,602.87	1,295.18
Loans	816.60	829.28	832.59	816.60	829.28	832.59
FVTOCI financial investments	1,38,163.77	1,33,385.27	25,855.66	2,04,079.91	1,57,108.20	1,43,943.30
Total	1,46,359.94	1,35,817.42	27,983.43	2,12,276.08	1,59,540.35	1,46,071.07
Financial liabilities						
Borrowings	22.89	14.35	0.00	22.89	14.35	0.00
Other Financial Liabilities	160.91	83.99	21.14	160.91	83.99	21.14
Total	183.80	98.34	21.14	183.80	98.34	21.14

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values

The fair values of the quoted securities and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments is based on NAV as per latest financials of the respective company. Other financial liabilities as well as other non-current financial liabilities is based on carrying value and obligations under finance lease is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The Group follows "FIFO" method for calculating the profit/loss on sale of investments.

Note 36: Impact of COVID-19 on Going Concern Assumption and Estimation uncertainty relating to the global health pandemic on COVID-19

The impact of COVID-19 on the global economy and how governments, businesses and consumers respond is uncertain. This uncertainty is reflected in the Company's assessment of fair valuation and impairment on its investments which are subject to management judgements and estimates. In relation to COVID-19, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other

Interest due thereon	Nil	Nil	Nil
Amount of interest paid	Nil	Nil	Nil

b. Earnings in Foreign Currency	Nil	Nil	Nil
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c. Expenditure in Foreign Currency	Nil	2.31	Nil
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Note 34. Commitments and contingencies
a. Commitments:

Estimated amount of contracts remaining to be executed on Capital Account:

31 st March 2020	31 st March 2019	01 st April 2018
212.51	187.56	68.71

b. Contingent liabilities

31 st March 2020	31 st March 2019	01 st April 2018
Nil	Nil	Nil

authorities, and the responses of businesses and consumers in different industries, along with the associated impact on the global economy. While the methodologies and assumptions applied in the fair valuation and impairment loss allowance calculations remained unchanged during the whole year. The Company as a part of its Investment portfolio made various investments in the equity of listed / unlisted companies, mutual funds and bonds. The Company believes that it has taken into account all the possible impact of known events arising out of COVID 19 pandemic in the preparation of financial results reflecting out of fair valuation of these investments. However, the impact assessment of COVID 19 is a continuing process given its nature and duration. The Company will continue to monitor for any material changes to future economic conditions.

Based on the aforesaid, the management concludes that no material uncertainty exists about the company's ability to continue as a going concern and accordingly the management has prepared these financial statements on a going concern basis.

Note 37: Approach to exemptions under Ind AS 101 First Time Adoption of Indian Accounting Standards (Ind AS)
First time adoption of Ind AS

For reporting periods up to and including the year ended March 31, 2019, the Group prepared its financial statements in accordance with Indian GAAP. The Group has prepared its financial statements in accordance with Ind AS prescribed under section 133 of the Act and other accounting principles generally accepted in India and as notified by Ministry of Corporate Affairs with the transition date being April 1, 2018. The impact of transition has been provided in

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the other comprehensive income under the head "other equity" as at April 1, 2018.

In preparing these financial statements, the Group has opted to avail the choices available for certain transitional provisions within Ind AS 101, 'First time adoption of Indian Accounting Standards', which offers exemption from applying specified Ind AS retrospectively. The most significant of these provisions are in the following areas:

i. Deemed cost for property, plant and equipment and intangible assets

- a. The Group has elected to continue with the carrying value for all of its property, plant and equipment and intangible assets as measured as per the previous GAAP and used that as its deemed cost as at the date of transition.
- b. The term of lease agreements in respect of Leased Assets have expired and the assets continue in the possession of lessees. However, the said assets have been included in the block of fixed assets of the Company at net value after adjusting accumulated depreciation pending the transfer of titles. (Please refer Note.11 PPE)

ii. Classification and measurement of financial assets

At the transition date, the Group assessed the conditions for classification of financial assets and accordingly classified its financial assets at either amortised cost or fair value through other comprehensive income or fair value through statement of profit and loss, as appropriate, under the provisions of Ind AS 109, 'Financial Instruments'.

iii. De-recognition of financial assets

The Group has elected to not recognise financial assets or financial liabilities which were de-recognised in accordance with its previous GAAP as a result of transactions that occurred before the transition date.

iv. Revenue from contracts with customers

- a. For completed contracts within the same annual reporting period, no restatement has been done;
- b. For completed contracts the Group has used the transaction price at the date the contract was completed.

v. Investments in subsidiaries and associates

The financial statements prepared are separate financial statements. The Group has elected to measure investment in subsidiaries and associates at deemed cost (previous GAAP carrying amount) as per Ind AS 27.

vi. Reconciliation of net worth and net income between Indian GAAP and Ind AS financial statements.
a. Reconciliation of shareholders' equity as per Indian GAAP and Ind AS financial statements:

Particulars	As at 1 st April, 2018	As at 31 st March, 2019
Net worth as per Indian GAAP	30,274.40	32,056.21
Adjustments under Ind AS:		
Fair valuation of securities including deferred tax on various Ind AS adjustments	87,618.28	96,695.48
Total impact on net worth	87,618.28	96,695.48
Total shareholders' equity as per Ind AS financial statements	1,17,892.68	1,28,751.69

b. Reconciliation of net profit as per Indian GAAP and Ind AS financial statements:

Particulars	As at 31 st March, 2019
1. Net profit as per Indian GAAP	2,247.89
<i>Adjustments on account of:</i>	
2. Fair valuation of securities	(-),4,222.39
3. Other Ind AS adjustments	222.71
4. Deferred tax on such adjustments	1,333.76
5. Net profit as per Ind AS financial statements (1-2+3+4) Total (A)	(-),418.03
<i>Other comprehensive income:</i>	
6. Re-measurement of net defined employee benefit plan	5.17
7. Fair valuation of securities	15,279.01
8. Deferred Tax on adjustments	(-),3,970.63
9. Consolidation of Associate's OCI	429.58
Total (B) (6+7+8+9)	11,743.13
10. Total comprehensive income as per Ind AS financial statements (A+B)	11,325.10

c. Reconciliation of Statement of cash flows

There were no material differences between the Statement of Cash Flows presented under Ind AS and the previous GAAP.

vii. Notes to the reconciliations.
(a) Valuation of debt and equity securities:

Under Indian GAAP, the investment in securities was considered as Non-current investments and had been valued at cost. The securities held as stock in trade was carried at lower of cost or market value. Accordingly, only mark-to-market losses on securities held as stock in trade was recognised in the statement of profit and loss while gains were ignored. Non-current investments were carried at acquisition cost after providing for diminution in value, if such diminution was other than of a temporary nature. As per Ind AS, all financial assets have to be classified either at 'amortised cost' or 'fair value through other comprehensive income' or 'fair value through profit and loss'. Under Indian GAAP, unrealized gains were not accounted in the books. Under Ind AS, unrealized gains have been accounted in the statement of profit and loss through other comprehensive income.

(b) Lease rent escalation:

Under Indian GAAP, lease payments under an operating lease are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern of the users benefit. Under Ind AS, at the date of commencement of the lease, the group has to recognize a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

The impact on this account of Rs. (-)6.34 lakh (in VLS Finance Limited) has been routed through retained earnings as on 01st April, 2019.

(c) Impairment of financial assets:

Under Indian GAAP, the Group recognized impairment on trade receivables based on the ageing of the due balance. Under Ind AS, the Group applies the expected credit loss model (ECL) for measurement and recognition of impairment loss.

However, there was no impact of the same during the years for which the financials are prepared.

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(d) Accounting for security deposits:

Under Indian GAAP, the security deposits given were accounted on the transaction price. Ind AS requires such assets to be recognized at present value.

(e) Deferred tax asset/liability

The transitional Ind AS adjustments has led to temporary differences in the tax and accordingly deferred tax impact on these adjustments has been accounted.

Note 38: Financial risk management
Risk management framework

The Group has established a comprehensive system for risk management and internal controls for all its businesses to manage the risks that it is exposed to. The objective of its risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and ensure a systematic response in the case of crystallization of such risks.

The Group has exposure to the following risk arising from financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

The Group has established required policies with respect to such risks which set forth limits, mitigation strategies and internal controls to be implemented. The Board oversees the Group's risk management, which frames and reviews risk management processes and controls.

a) credit risk:

It is risk of financial loss that the Group will incur a loss because its customer or counterparty to financial instruments fails to meet its contractual obligation.

The Group's financial assets comprise of Cash and bank balance, Stock-in-trade, Trade receivables, Loans, Investments and Other financial assets.

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at March 31, 2020

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
Assets					
Cash and bank balances	1,966.33	109.46		80.75	2,156.54
Trade receivables	293.89				293.89
Other Receivables	374.99				374.99
Loans	7.55	3.77	5.28	800.00	816.60
Investments			56,100.11	1,47,979.80	2,04,079.91
Other financial assets	293.61	5,765.30	1,267.23	53.43	7,379.57
Total	2,936.37	5,878.53	57,372.62	1,48,913.98	2,15,101.50
Liabilities					
Trade payables	220.64				220.64
Other payables	25.86				25.86
Borrowings	22.89				22.89
Other financial liabilities	57.81	22.35		80.75	160.91
Total	327.20	22.35	0.00	80.75	430.30
Net Excess / (shortfall)	2,609.17	5,856.18	57,372.62	1,48,833.23	2,14,671.20

The maximum exposure to credit risk at the reporting date is primarily from Group's trade receivables.

Following provides exposure to credit risk for trade receivables:

Particulars	March 31,2020	March 31,2019	April 1, 2018
Trade and Other Receivables (net of impairment)	668.88	383.29	338.50
Total	668.88	383.29	338.50

Trade Receivables: The Group has followed simplified method of ECL in case of Trade receivables and the Group recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. At each reporting date, the Group assesses the impairment requirements.

Other financial assets considered to have a low credit risk:

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks of high standing. Investments comprise of quoted and unquoted Equity instruments, bonds and mutual funds which are market tradable. Other financial assets include deposits for assets acquired on lease.

b) Liquidity risk

Liquidity represents the ability of the Group to generate sufficient cash flow to meet its financial obligations on time, both in normal and in stressed conditions, without having to liquidate assets or raise funds at unfavorable terms thus compromising its earnings and capital.

Liquidity risk is the risk that the Group may not be able to generate sufficient cash flow at reasonable cost to meet expected and / or unexpected claims. It arises in the trading and investment activities and in the management of trading positions. The Group aims to maintain the level of its cash and cash equivalents and other highly marketable investments at an amount in excess of expected cash outflow on financial liabilities.

Funds required for short period is taken care by borrowings through overdraft facility against fixed deposits with the bank.

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The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at March 31, 2019

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
Assets					
Cash and bank balances	1,569.54	108.40		53.95	1,731.89
Trade receivables	113.74				113.74
Other receivables	269.55				269.55
Loans	9.55	9.77	9.96	800.00	829.28
Investments			43,383.00	1,13,725.20	1,57,108.20
Other financial assets	524.05	1,010.10	15.30	53.44	1,602.89
Total	2,486.43	1,128.27	43,408.26	1,14,632.59	1,61,655.55
Liabilities					
Trade payables	965.02				965.02
Other payables	14.08				14.08
Borrowings	14.35				14.35
Other financial liabilities	19.39	10.65		53.95	83.99
Total	1,012.84	10.65		53.95	1,077.44
Net Excess / (shortfall)	1,473.59	1,117.62	43,408.26	1,14,578.64	1,60,578.11

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at April 1, 2018.

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
Assets					
Cash and bank balances	1,289.31	107.33			1,396.64
Trade receivables	91.61				91.61
Other receivables	246.89				246.89
Loans	10.89	9.96	11.74	800.00	832.59
Investments			39,051.06	1,04,892.24	1,43,943.30
Other financial assets	341.66	885.00	15.30	53.22	1,295.18
Total	1,980.36	1,002.29	39,078.10	1,05,745.46	1,47,806.21
Liabilities					
Trade payables	498.92				498.92
Other payables	12.76				12.76
Borrowings					
Other financial liabilities	14.16	6.98			21.14
Total	525.84	6.98			532.82
Net Excess / (shortfall)	1,454.52	9,95.31	39,078.10	1,05,745.46	1,47,273.39

c) market risk

Market risk arises when movements in market factors (foreign exchange rates, interest rates, credit spreads and equity prices) impact the Group's income or the market value of its portfolios. The Group, in its course of business, is exposed to market risk due to change in equity prices, interest rates and foreign exchange rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns. The Group classifies exposures to market risk into either trading or non-trading portfolios. Both the portfolios are managed using the following sensitivity analyses:

- i) Equity price Risk
- ii) Interest Rate Risk
- iii) Currency Risk

i) Equity price Risk

The Group's exposure to equity price risk arises primarily on account of its investment positions

The Group's equity price risk is managed in accordance with its Corporate Risk and Investment policy (CRIP) approved by the board. The board specifies exposure limits and risk limits for the investments in equity.

ii) Interest Rate Risk

The Group's exposure to interest rate risk arises primarily on account of its amount given on loan and the surplus funds kept as deposits with the banks.

The Group's interest rate risk is managed in accordance with its policy approved by its board.

The non-traded Financial Assets and liabilities are fixed rate instruments and are valued at amortised cost. Any shifts in yield curve will not impact their carrying amount and will therefore not have any impact on the Group's statement of profit and loss.

iii) Currency Risk/foreign exchange Risk

There is no exposure to currency risk as there is no position of the group stands in exchange traded currency derivatives.

Note 39: Employees Benefits
i) Defined Contribution Plans:

Amount of Rs. 22.70 lakhs (Rs.22.67 lakhs for the financial year 2018-19 and Rs.20.75 lakhs for the financial year 2017-2018) contributed to provident funds is recognized as an expense under "Employee Cost" in the Statement of Profit and Loss.

ii) Defined Benefit Plans

Funded:

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. The gratuity plan is funded with LIC.

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The following table summarizes the components of net expenses for gratuity benefits recognized in the statement of profit and loss, other comprehensive income and the amounts recognized in the balance sheet:

1. Assumptions	For the year ended 31, March 2020	For the year ended 31, March 2019	For the year ended 31, March 2018
Discount rate	7.00%	7.75%	7.75%
Salary Escalation	5.00%	5.00%	5.00%
Mortality	IALM 2012-14	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
2. Changes in present value of obligation during the year			
Present value of obligation as at beginning of the year	181.93	145.82	102.55
Interest Cost	12.73	11.30	7.94
Current Service Cost	9.65	9.33	7.20
Past Service Cost	0	19.22	28.46
Benefits Paid	0	0	(-) 6.58
Actuarial (gain) / loss on obligations	(-) 4.63	(-) 3.74	6.25
Present value of obligations as at end of the year	199.68	181.93	145.82
3. Changes in fair value of plan assets			
Fair value of plan assets at beginning of year	124.90	98.79	92.10
Expected return on plan assets	8.73	7.65	7.14
Contributions	5.32	18.17	6.26
Benefits paid	0.00	0.00	(-) 6.58
Actuarial gain / (loss) on plan assets	0.72	0.29	(-) 0.13
Fair value of plan assets at the year end	139.67	124.90	98.79
4. OCI / Expenses (Re measurements)			
Cummulative Un recognized Actuarial (gain)/loss opening b/f	(-) 1.81	2.22	(-) 4.16
Actuarial (gain) / loss on obligations	(-) 4.63	(-) 3.74	6.25
Actuarial (gain) / loss for the year – on plan assets	(-) 0.72	(-) 0.29	0.13
Total Actuarial (gain) / loss for the year	(-) 5.35	(-) 4.03	6.38
Cumulative total actuarial (gain)/loss c/f	(-) 7.16	(-) 1.81	2.22
5. Amounts to be recognized in the Balance Sheet			
Present value of obligations as at the end of the year	199.68	181.93	145.82
Fair value of plan assets as at the end of the year	139.67	124.90	98.79
Net (asset) / liability as at the end of the year	60.01	57.03	47.03
Funded Status Surplus/ (Deficit)	(-) 60.01	(-) 57.03	(-) 47.03
6. Amounts recognized in the Statement of Profit and Loss			
Current service cost	9.65	9.33	7.20
Interest Cost	12.73	11.30	7.94
Past Service Cost	0.00	19.22	28.46
Expected return on plan assets	(-) 8.74	(-) 7.65	(-) 7.14
Net Expenses recognized in Statement of Profit and Loss	13.64	32.20	36.46

The following table summarizes the components of net expenses for leave encashment recognized in the statement of profit and loss, other comprehensive income and the amounts recognized in the balance sheet:

1. Assumptions	For the year ended 31, March 2020	For the year ended 31, March 2019	For the year ended 31, March 2018
Discount rate	7.00%	7.75%	7.75%
Salary Escalation	5.00%	5.00%	5.00%
2. Changes in present value of obligation during the year			
Present value of obligation as at beginning of the year	19.87	17.83	16.77
Interest Cost	1.39	1.38	1.29
Current Service Cost	1.16	1.24	1.16
Benefits Paid	0.00	0.00	(-) 1.42
Actuarial (gain) / loss on obligations	(-) 1.77	(-) 0.58	0.03
Present value of obligations as at end of the year	20.65	19.87	17.83
3. OCI / Expenses (Re measurements)			
Cummulative Un recognized Actuarial (gain)/loss opening bf	(-) 2.92	(-) 2.33	(-) 2.36
Actuarial (gain) / loss on obligations	(-) 1.78	(-) 0.59	0.03
Actuarial (gain) / loss for the year – on plan assets	0.00	0.00	0.00
Total Actuarial (gain) / loss for the year	(-) 1.78	(-) 0.59	0.03
Cumulative total actuarial (gain)/loss c/f	(-) 4.70	(-) 2.92	(-) 2.33

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	For the year ended 31, March 2020	For the year ended 31, March 2019	For the year ended 31, March 2018
4. Amounts to be recognized in the Balance Sheet			
Present value of obligations as at the end of the year	20.65	19.87	17.83
Fair value of plan assets as at the end of the year	0.00	0.00	0.00
Net (asset) / liability recognized in balance sheet	20.65	19.87	17.83
Funded Status Surplus/ (Deficit)	(-) 20.65	(-) 19.87	(-) 17.83
5. Amounts recognized in the Statement of Profit and Loss			
Current service cost	1.16	1.24	1.16
Interest Cost	1.39	1.38	1.29
Expected return on plan assets	0.00	0.00	0.00
Expenses recognized in Statement of Profit and Loss	2.55	2.62	2.45

Note 40: Salient features of Financial Statements of Subsidiary and Associate Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014):

Part A: Subsidiaries:

Sl. No.	Name of the Subsidiary	As on 31.03.2020		As on 31.03.2019	
		VLS Securities Limited	VLS Asset Management Limited	VLS Securities Limited	VLS Asset Management Limited
		INR	INR	INR	INR
1	Reporting Currency				
2	Share Capital	3,000.00	7.07	3,000.00	7.07
3	Other Equity	74,902.64	(16.37)	49,338.13	(16.33)
4	Total Assets	99,911.04	0.16	66,486.98	0.16
5	Total Liabilities	22,008.40	9.46	14,148.85	9.42
6	Investments	98,530.49	-	64,561.12	-
7	Turnover/Total Income	511.70	-	240.22	-
8	Profit Before Taxation	222.08	(0.05)	(120.36)	(0.04)
9	Provision for Taxation	69.13	-	63.27	-
10	Profit After Taxation	152.95	(0.05)	(183.63)	(0.04)
11	Other Comprehensive Income	25,411.56	-	8,024.06	-
12	Total Comprehensive Income	25,564.51	(0.05)	7,840.43	(0.04)
13	Proposed Dividend	-	-	-	-
14	% of Shareholding	99.67%	99.15%	99.67%	99.15%

Part B: Associates:

Statement pursuant to Section 129(3) of Companies Act, 2013 related to Associate Companies:

Sr. No.	Name of Associate	Latest audited Balance Sheet date	Shares of Associate held by the company/group at the year ended on 31.03.2020			Net worth attributable to shareholding as per latest audited Bal. Sheet	Profit / Loss for the year		Description of how there is significant influence
			No.	Amount of investment in Associate	Extent of holding %		Considered in Consolidation	Not Considered in Consolidation	
1	VLS Capital Limited.	31.03.2020	93,20,833	2,238.54	40.24%	3,158.81	523.42	0	Note – A

Note:

A. There is significant influence due to percentage (%) of Share Capital.
The above statement also indicates performance and financial position of the associate.

Sr. No.	Name of Associate	Latest audited Balance Sheet date	Shares of Associate held by the company/group at the year ended on 31.03.2019			Net worth attributable to shareholding as per latest audited Bal. Sheet	Profit / Loss for the year		Description of how there is significant influence
			No.	Amount of investment in Associate	Extent of holding %		Considered in Consolidation	Not Considered in Consolidation	
1	VLS Capital Limited.	31.03.2019	88,20,833	1,938.54	38.09%	3,024.32	(72.22)	0	Note – A

Note:

A. There is significant influence due to percentage (%) of Share Capital.
The above statement also indicates performance and financial position of the associate.

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(Rupees in Lakhs)

Note 41: Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Associate as on 31.03.2020

Name of the entity in the Group	Net Assets/ (Total Assets minus Total Liabilities)		Share in Profit or loss		Share in Other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
VLS Finance Limited	50.84	89,189.45	82.77	3,248.76	35.72	15,437.22	39.64	18,685.98
Subsidiaries (Indian):								
VLS Securities Limited	42.56	74,652.99	3.88	152.44	58.60	25,326.85	54.04	25,479.29
VLS Asset Management Limited	(0.01)	(16.31)	-	(0.05)	-	-	-	(0.05)
Non-controlling interest								
Subsidiaries (Indian)	0.15	259.65	0.01	0.51	0.20	84.71	0.18	85.22
Associate:								
VLS Capital Limited	6.46	11,339.07	13.34	523.42	5.48	2,371.73	6.14	2,895.15
Total	100.00	1,75,424.85	100.00	3,925.08	100.00	43,220.51	100.00	47,145.59

Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associate as on 31.03.2019

Name of the entity in the Group	Net Assets/ (Total Assets minus Total Liabilities)		Share in Profit or loss		Share in Other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
VLS Finance Limited	55.13	70,975.91	38.79	(162.16)	28.00	3,288.91	27.61	3,126.75
Subsidiaries (Indian):								
VLS Securities Limited	38.19	49,173.70	43.78	(183.00)	68.10	7,997.34	69.00	7,814.34
VLS Asset Management Limited	(0.01)	(16.27)	0.01	(0.04)	-	-	-	(0.04)
Non-controlling interest								
Subsidiaries (Indian)	0.14	174.43	0.15	(0.61)	0.23	26.74	0.23	26.13
Associate:								
VLS Capital Limited	6.55	8,443.92	17.27	(72.22)	3.67	430.14	3.16	357.92
Total	100.00	1,28,751.69	100.00	(418.03)	100.00	11,743.13	100.00	11,325.10

Note: 42: Maturity Analysis of Assets and Liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Assets	31-Mar-20			31-Mar-19			01-Apr-18		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets									
Cash and cash equivalents	1,966.33		1,966.33	1,569.54		1,569.54	1,289.31		1,289.31
Bank Balance other than above	109.46	80.75	190.21	108.40	53.95	162.35	107.33		107.33
Trade receivables	293.89		293.89	113.74		113.74	91.61		91.61
Other receivables	374.99		374.99	269.55		269.55	246.89		246.89
Loans	11.32	805.28	816.60	19.32	809.96	829.28	20.85	811.74	832.59
Investments		2,04,079.91	2,04,079.91		1,57,108.20	1,57,108.20	1,43,943.30		1,43,943.30
Other financial assets	6,058.91	1,320.66	7,379.57	1,534.15	68.73	1,602.88	1,226.66	68.52	1,295.18

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Assets	31-Mar-20			31-Mar-19			01-Apr-18		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Total-Financial assets	8,814.90	2,06,286.60	2,15,101.50	3,614.70	1,58,040.84	1,61,655.54	1,46,925.95	880.26	1,47,806.21
Non-Financial assets									
Current Tax assets	1.72	1,347.25	1,348.97	11.10	452.09	463.19	11.69	470.99	482.68
Investment Property		70.94	70.94		70.94	70.94		70.94	70.94
Property, plant and equipment	16.30	893.96	910.26		911.67	911.67		953.66	953.66
Capital work-in-progress	725.44		725.44		403.53	403.53		214.92	214.92
Other Intangible assets		0.74	0.74		0.81	0.81		1.25	1.25
Other non-financial assets	754.71	36.00	790.71	91.02	25.00	116.02	22.08	-	22.08
Total-Non financial assets	1,498.17	2,348.89	3,847.06	102.12	1,864.04	1,966.16	33.77	1,711.76	1,745.53
Total Assets	10,313.07	2,08,635.49	2,18,948.56	3,716.82	1,59,904.88	1,63,621.70	1,46,959.72	2,592.02	1,49,551.74
Liabilities									
Financial Liabilities									
Trade payables	220.64		220.64	965.02		965.02	498.92		498.92
Other payables	25.86		25.86	14.08		14.08	12.76		12.76
Borrowings	22.89		22.89	14.35		14.35	-		-
Other financial liabilities	80.16	80.75	160.91	30.04	53.95	83.99	21.14		21.14
Total- Financial Liabilities	349.55	80.75	430.30	1,023.49	53.95	1,077.44	532.82	-	532.82
Non Financial Liabilities									
Provisions		80.64	80.64		76.90	76.90		64.87	64.87
Deferred tax liabilities		42,982.64	42,982.64		33,672.58	33,672.58		31,029.81	31,029.81
Other non financial liabilities	30.13		30.13	43.09		43.09	31.56		31.56
Total-Non Financial Liabilities	30.13	43,063.28	43,093.41	43.09	33,749.48	33,792.57	31.56	31,094.68	31,126.24
Total Liabilities	379.68	43,144.03	43,523.71	1,066.58	33,803.43	34,870.01	564.38	31,094.68	31,659.06

Note: 43 Corporate Social Responsibility

The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from 1 April 2014. As per the provisions of the said section, the Company has undertaken the following CSR initiatives during the financial year 2019-20. CSR initiatives majorly includes supporting under privileged in medical treatments and various other charitable and noble aids.

- a) Accumulated amount required to be spent during the year Rs.107.52 Lakhs (Previous year Rs.56.54 Lakhs)
 b) Amount spent during the year ended 31 March 2020 on :

Particulars	Total amount to be spent	Amount spent	Yet to spend
i) Construction/acquisition of any asset	-	-	-
ii) on purposes other than (a) above	107.52	77.00	30.52
Total	107.52	77.00	30.52

- c) Amount spent during the year ended 31 March 2019:

Particulars	Total amount to be spent	Amount spent	Yet to spend
i) Construction / acquisition of any asset	-	-	-
ii) on purposes other than (a) above	56.54	-	56.54
Total	56.54	-	56.54

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Note: 44 Fair Value Measurement

(Rupees in Lakhs)

(i) Accounting classification and fair values

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

The carrying value and fair value of financial instruments by categories as of 31 March 2020 are as follows:

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
31-Mar-20								
Financial assets								
Cash and cash equivalents	-	-	1,966.33	1,966.33	1,966.33			1,966.33
Bank balance other than cash and cash equivalents above	-	-	190.21	190.21	190.21			190.21
Receivables								-
(I) Trade receivables	-	-	293.89	293.89	293.89			293.89
(II) Other receivables	-	-	374.99	374.99	374.99			374.99
Loans	-	-	816.60	816.60	816.60			816.60
Investments	-	1,35,575.23	2,588.54	1,38,163.77	2,00,741.49	3,338.42		2,04,079.91
Other financial assets	-	-	7,379.57	7,379.57	7,379.57			7,379.57
Total financial assets	-	1,35,575.23	13,610.13	1,49,185.36	2,11,763.08	3,338.42	-	2,15,101.50

Financial liabilities								
Payables								
(I) Trade payables								
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	220.64	220.64	220.64	-	-	220.64
(II) Other payables								
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	25.86	25.86	25.86	-	-	25.86
Borrowings (Other than debt securities)	-	-	22.89	22.89	22.89	-	-	22.89
Other financial liabilities	-	-	160.91	160.91	160.91	-	-	160.91
Total financial liabilities	-	-	430.30	430.30	430.30	-	-	430.30

The carrying value and fair value of financial instruments by categories as of 31 March 2019 are as follows:

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
31-Mar-19								
Financial assets								
Cash and cash equivalents	-	-	1,569.54	1,569.54	1,569.54			1,569.54
Bank balance other than cash and cash equivalents above	-	-	162.35	162.35	162.35			162.35
Receivables								-
(I) Trade receivables	-	-	113.74	113.74	113.74			113.74
(II) Other receivables	-	-	269.55	269.55	269.55			269.55
Loans	-	-	829.28	829.28	829.28			829.28
Investments	-	1,31,096.73	2,288.54	1,33,385.27	1,51,484.71	5,623.49		1,57,108.20
Other financial assets	-	-	1,602.88	1,602.88	1,602.88			1,602.88
Total financial assets	-	1,31,096.73	6,835.88	1,37,932.61	1,56,032.05	5,623.49	-	1,61,655.54

Financial liabilities								
Payables								
(I) Trade payables								
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	965.02	965.02	965.02	-	-	965.02
(II) Other payables								
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-

CONSOLIDATED FINANCIAL STATEMENTS
Notes to the Consolidated Financial Statements for the year ended 31.03.2020

(Rupees in Lakhs)

(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	14.08	14.08	14.08	-	-	14.08
Borrowings (Other than debt securities)	-	-	14.35	14.35	14.35	-	-	14.35
Other financial liabilities	-	-	83.99	83.99	83.99	-	-	83.99
Total financial liabilities	-	-	1,077.44	1,077.44	1,077.44	-	-	1,077.44

The carrying value and fair value of financial instruments by categories as of 1 April 2018 are as follows:

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
01-Apr-18								
Financial assets								
Cash and cash equivalents	-	-	1,289.31	1,289.31	1,289.31	-	-	1,289.31
Bank balance other than cash and cash equivalents above	-	-	107.33	107.33	107.33	-	-	107.33
Receivables								
(I) Trade receivables	-	-	91.61	91.61	91.61	-	-	91.61
(II) Other receivables	-	-	246.89	246.89	246.89	-	-	246.89
Loans	-	-	832.59	832.59	832.59	-	-	832.59
Investments	-	23,567.12	2,288.54	25,855.66	1,38,354.43	5,588.87	-	1,43,943.30
Other financial assets	-	-	1,295.18	1,295.18	1,295.18	-	-	1,295.18
Total financial assets	-	23,567.12	6,151.45	29,718.57	1,42,217.34	5,588.87	-	1,47,806.21

Financial liabilities								
Payables								
(I) Trade payables								
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	498.92	498.92	498.92	-	-	498.92
(II) Other payables								
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	12.76	12.76	12.76	-	-	12.76
Borrowings (Other than debt securities)	-	-	-	-	-	-	-	-
Other financial liabilities	-	-	21.14	21.14	21.14	-	-	21.14
Total financial liabilities	-	-	532.82	532.82	532.82	-	-	532.82

Level 1 : The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2 : The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investment in private equity funds, real estate funds.

ii Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include :

- Quoted equity investments - Quoted closing price on stock exchange
- Mutual fund - net asset value of the scheme

- Alternative investment funds-net asset value of the scheme
- Unquoted equity investments - NAV on the last audited financials available of the companies.
- Private equity investment fund - NAV of the audited financials of the funds.
- Real estate fund - net asset value, based on the independent valuation report or financial statements of the company income approach or market approach based on the independent valuation report.

iii. Financial instruments not measured at fair value

Financial assets not measured at fair value includes cash and cash equivalents, trade receivables, loans and other financial assets.

These are financial assets whose carrying amounts approximate fair value, due to their short-term nature.

Additionally, financial liabilities such as trade payables and other financial liabilities are not measured at FVTPL, whose carrying amounts approximate fair value, because of their short-term nature.

Fair value measurements using significant unobservable inputs (level 3)

CONSOLIDATED FINANCIAL STATEMENTS
Notes to the Consolidated Financial Statements for the year ended 31.03.2020
Note 45: Tax Expense

The Company pays taxes according to the rates applicable in India. Most taxes are recorded in the income statement and relate to taxes payable for the reporting period (current tax), but there is also a charge or credit relating to tax payable for future periods due to income or expenses being recognised in a different period for tax and accounting purposes (deferred tax). The Company provides for current tax according to the tax laws of India using tax rates that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns in respect of situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities. Deferred tax is provided, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is recognised in respect of all temporary differences that have originated but not reversed

at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A deferred tax asset is recognised when it is considered recoverable and herefore recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying temporary differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The Taxation Laws (Amendment) Ordinance, 2019 contain substantial amendments in the Income Tax Act 1961 and the Finance (No.2) Act, 2019 to provide an option to domestic companies to pay income tax at a concessional rate. The Parent Company has elected to opt the amended tax regime but the option is not elected by subsidiaries and associate company.

a) Income Tax recognised in Statement of Profit and Loss

(Rupees in Lakhs)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Current tax:		
Current tax for the year	12.56	-
Minimum alternate tax	-	432.78
Tax adjustment in respect of earlier years	9.20	6.22
Total current tax expense	21.76	439.00

Deferred tax :

Change in deferred tax liabilities/(assets)	(4,429.40)	(1,327.86)
Net deferred tax expense	(4,429.40)	(1,327.86)

b) Reconciliation of estimated Income tax expense reported in Statement of Profit and Loss

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Profit / (loss) before tax	(482.56)	(1,306.89)
Applicable income tax rate	25.168%	34.944%
1. Expected income tax expense	(274.43)	(413.92)
Tax effect of adjustments to reconcile expected Income tax expense at tax rate to reported income tax expense		
2. Impact of IndAS adjustments:		
-Net (Gain)/Loss in fair value changes	(325.18)	514.57
3. Effect of Other Income	32.76	48.24
4..Effect of Other Expenses	(64.45)	(43.47)
5. Effect of income Exempt from tax	(336.22)	(328.53)
Income Tax expenses (1+2+3+4+5)	(967.52)	(223.11)
Reported Tax Expenses		
Current Tax (Income tax)	0.00	0.00
Minimum alternate tax (MAT)	0.00	432.78

46. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date
For M.L. Puri & Co
 Chartered Accountants
 (FRN: 002312N)

For and on behalf of the board

M.L. Puri
 Partner
 M. No. 009198

S.K. Agarwal
 Managing Director
 (DIN:00106763)

M. P. Mehrotra
 Executive Vice Chairman
 (DIN:00016768)

Place: New Delhi
 Date: July 16, 2020

K.K. Soni
 Director-Finance & CFO
 (DIN: 00106037)

H. Consul
 Company Secretary
 M. No A-11183

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VLS FINANCE LTD.

Regd. Office : 2nd Floor, 13, Sant Nagar, East of Kailash,

New Delhi-110 065

Phone : 011-46656666 Fax : 011-46656699