

Agiwal & Associates

CHARTERED ACCOUNTANTS

Lal Kothi, 2nd Floor, 3830, Pataudi House Road, Above Bank of Baroda, Darya Ganj, New Delhi-110 002 (INDIA)
Phones : (91-011) 23267461, 23283162, 23278579 E-mail : agiwal68@gmail.com

Independent Auditor's Report

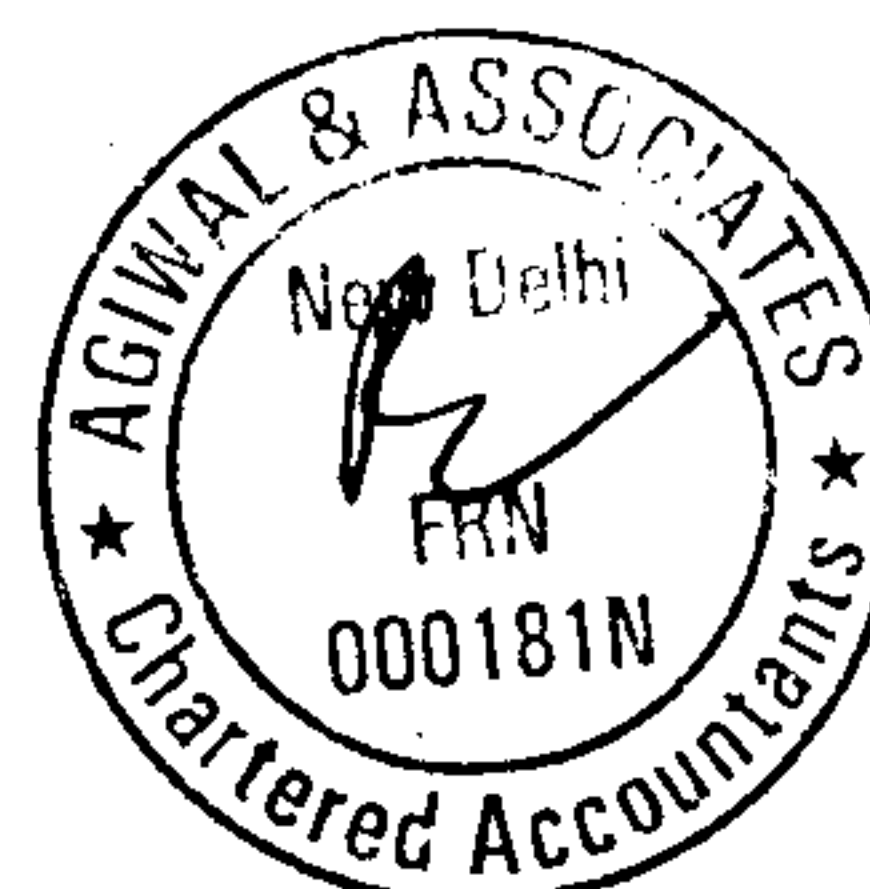
To
The Board of Directors of VLS Finance Limited

1. We have audited the accompanying Statement of Standalone Financial Results of VLS FINANCE LIMITED ("the Company") for the year ended 31 March, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related financial statements which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Accounting & Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

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

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:



- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - (ii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company for the year ended 31 March, 2017.
- 4 The Statement includes the results for the Quarter ended 31 March, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the aforesaid financial year which were subject to limited review by us.

for Agiwal & Associates

Chartered Accountants

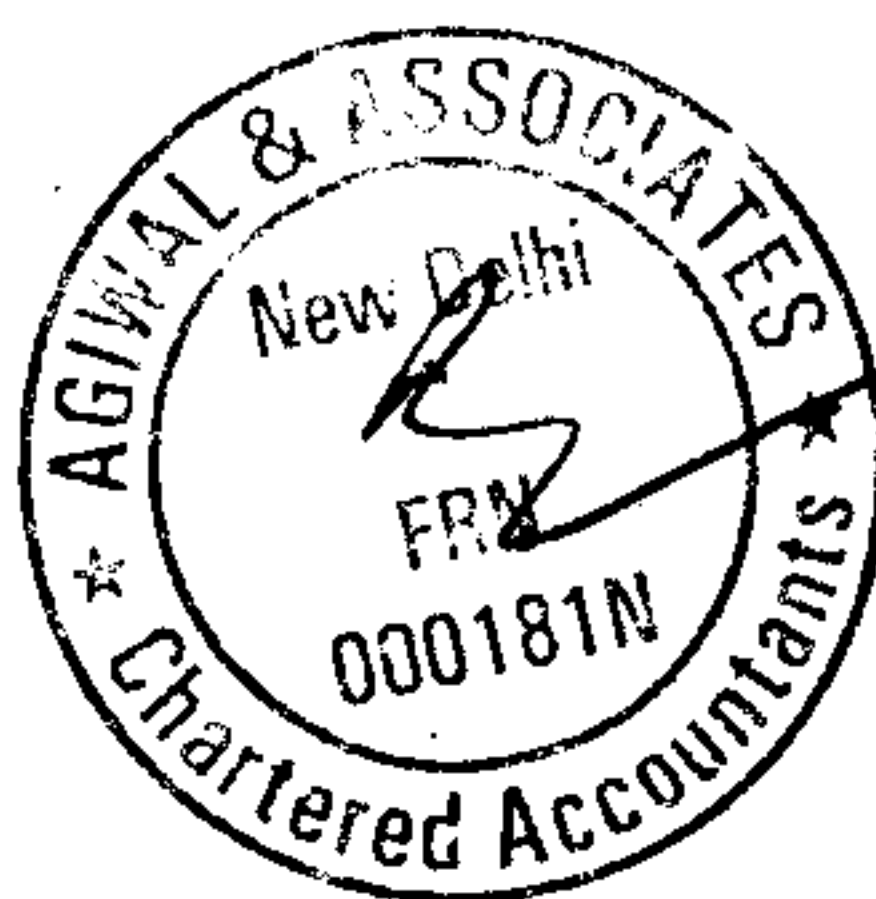
Firm's registration number: 000181N

P. C. Agiwal

CA P.C. Agiwal

Partner

Membership No.: 080475



New Delhi

08 May 2017

Agiwal & Associates

CHARTERED ACCOUNTANTS

Lal Kothi, 2nd Floor, 3830, Pataudi House Road, Above Bank of Baroda, Darya Ganj, New Delhi-110 002 (INDIA)
Phones : (91-011) 23267461, 23283162, 23278579 E-mail : agiwal68@gmail.com

Independent Auditor's Report

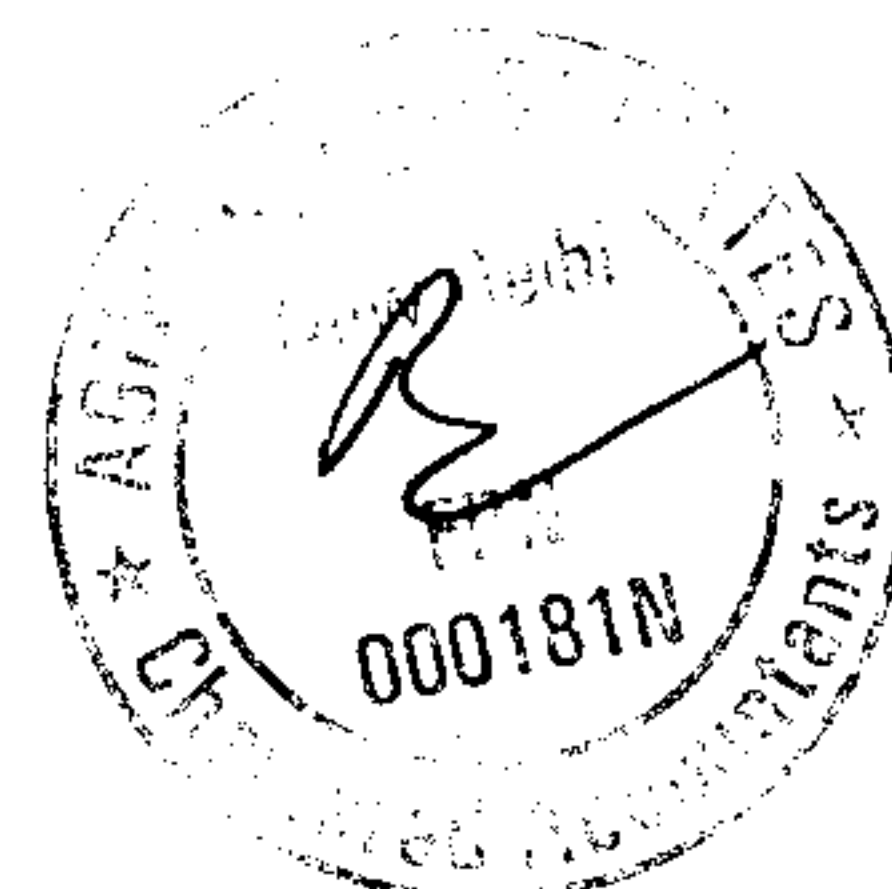
To
The Board of Directors of VLS Finance Limited

1. We have audited the accompanying Statement of Consolidated Financial Results of VLS FINANCE LIMITED ("the Holding Company") and its subsidiaries and its share of the profit/(loss) of its associates for the year ended 31 March, 2017 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared on the basis of the related consolidated financial statements which is in accordance with the Accounting Standards, prescribed under Section 133 of the Companies Act, 2013, as applicable, and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Accounting & Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Holding Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

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

3. a) We did audit of the financial statements of two subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 3,336.90 lacs as at 31 March, 2017, total revenues of Rs.134.27 lacs for the year ended 31 March, 2017 and total Loss of Rs. 24.34 lacs (after tax) for the year ended 31 March, 2017, as considered in the consolidated financial results. These financial statements have been audited by us and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based on the reports of the audit conducted by us.



b) We did not audit the financial statements of three associates as defined under the Companies Act, 2013 namely Sunair Hotels Limited, VLS Capital Limited and BMS IT institute (P) Limited which have been included in the consolidated financial results, as per the Statement of Sunair Hotels Limited for the year ended 31st March,2016, Statement for VLS Capital Limited for the year ended 31st March,2017 and Statement for BMS IT Institute (P) limited for the year ended 31st March,2014 whose financial statements reflect total assets of Rs. 28,183.67 lacs as at 31 March, 2017, total revenues of Rs. 5444.11 lacs for the year ended 31 March, 2017, and total share of profit of Rs.693.30 lacs (after tax) is considered for the consolidation of Financial Statement. These financial statements have been audited by other auditors and reports has been provided to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these associates, is based on the reports of the audit conducted by other auditors. The same figures are taken for the consolidation purpose only. The management of the Holding Company stated that they are unable to comment on the financial statements, accounting policies and notes on accounts of the two associate companies namely Sunair Hotels limited and BMS IT Institute (P) limited which are in litigation with the Holding Company. We wish to clarify that for the purpose of consolidation of the financial statements, we are unable to comment on financial statements, accounting policies and notes on accounts of the two associates entities namely Sunair Hotels Limited and BMS IT Institute Private Limited on account of statement of management of Holding Company for the Consolidated Financial Statements.

4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors referred to in paragraph 3 above, the Statement:
- includes the results of the subsidiaries and associates
 - is presented in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and other financial information of the VLS Finance Limited for the year ended 31st March,2017.

Our opinion on the Statement is not modified in respect of our reliance on the financial statements certified by the Management.

for Agiwal & Associates

Chartered Accountants

Firm's registration number: 000181N



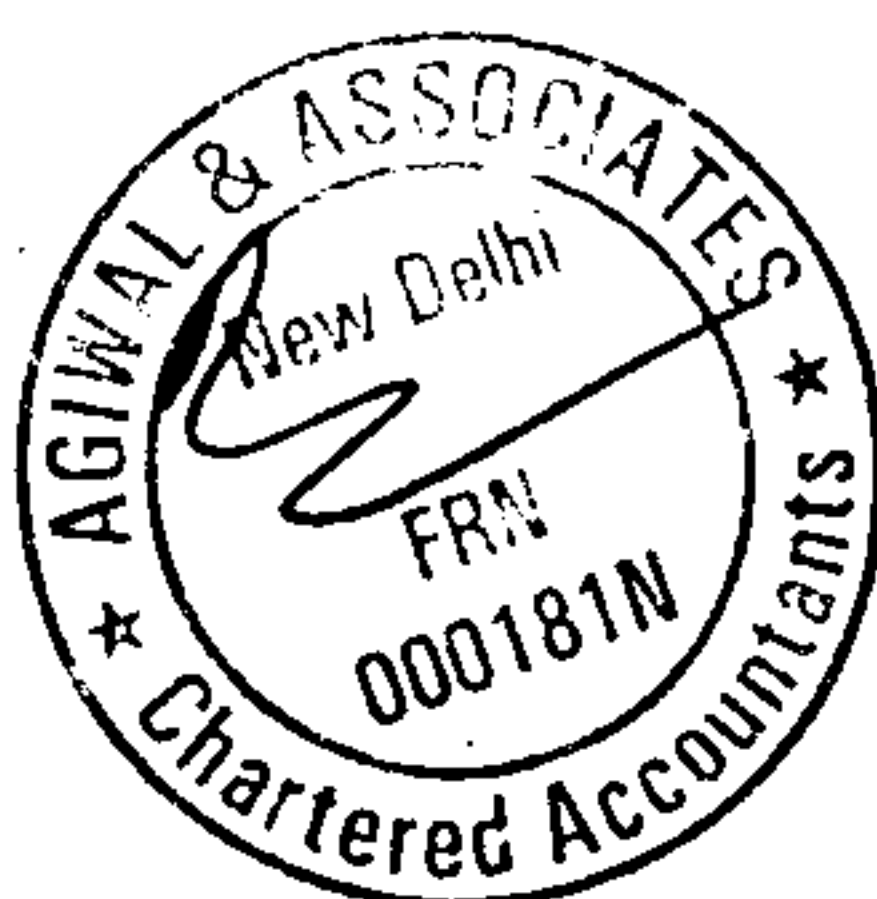
CA P.C. Agiwal

Partner

Membership No.: 080475

New Delhi

08 May 2017

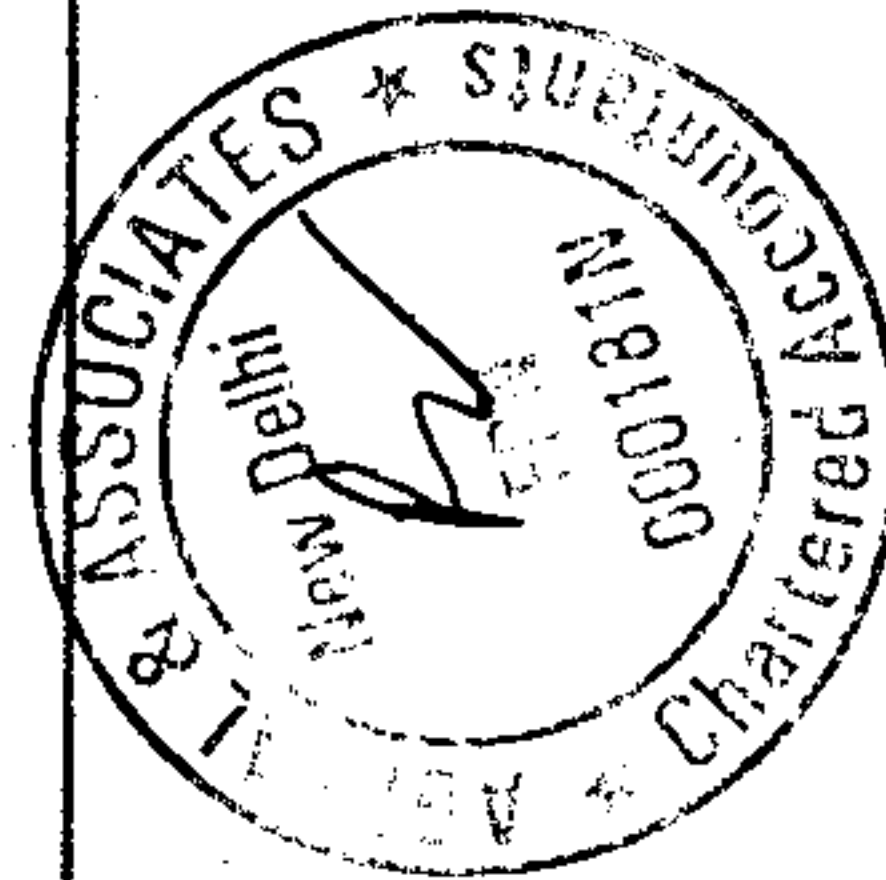


VLS FINANCE LTD.
 Regd. Office: 2nd Floor, 13, Samt Nagar, East of Kallash, New Delhi-110065
 Ph: 91(11) 46656666 Fax: 91(11) 46656699 CIN: L65910DL1986PLC023129
 Email: vls@vsnl.com ; Website: www.vlsfinance.com

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31st March, 2017

Sl. No	Particulars	(Rs. in Lakhs except Earning per share data)								
		Quarter Ended			Year Ended			Year Ended (Consolidated)		
		31-03-2017	31-12-2016	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
		3	4	5	6	7	8	9		
I	Revenue from operations	24978.60	33868.67	23746.92	269226.30	191343.10	269356.60	191452.56		
II	Other Income	0.97	0.15	317.05	1.44	317.52	698.15	485.70		
	III. Total Revenue (I+II)	24979.57	33868.82	24063.97	269227.74	191660.62	270054.75	191938.26		
IV	Expenses									
	Purchase of Shares/Securities/Commodities	26017.25	33499.21	23779.33	261898.60	189319.01	261948.60	189319.01		
	Change in stock of shares	(291.07)	(115.00)	(345.00)	(6.07)	275.82	(6.07)	275.82		
	Employee benefits expenses	59.10	65.64	75.28	245.77	246.91	289.39	293.65		
	Finance cost	0.10	6.43	56.22	12.52	195.79	27.70	195.82		
	Depreciation and Amortisation expense	16.22	9.98	6.73	35.52	44.97	37.13	46.53		
	Administrative & Other Expenses	248.21	137.60	219.51	820.32	782.06	840.77	829.84		
	Total Expenses	26049.81	33603.86	23792.07	263006.66	190864.56	263137.52	190960.67		
V	Profit before exceptional and extraordinary items and tax (III-IV)	(1070.24)	264.96	271.90	6221.08	796.06	6917.23	977.59		
VI	Exceptional items									
	Provision for Diminuation in value of assets (net)	(1350.00)			1150.00	0.00	1150.00	0.00		
VII	Profit before extraordinary items and tax (V-VI)	279.76	264.96	271.90	5071.08	796.06	5767.23	977.59		
VIII	Extraordinary items	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
IX	Profit before tax (VII-VIII)	279.76	264.96	271.90	5071.08	796.06	5767.23	977.59		
X	Less: Tax Expenses									
	Current Tax MAT	(296.28)	18.89	34.81	1197.10	74.77	1224.66	74.77		
	Tax Provisions/adjustments for earlier years	0.00	-	(0.16)	116.50	(0.16)	116.50	(0.16)		
	Deferred Tax	1.34	7.10	34.54	7.89	19.47	7.52	19.04		
XI	Profit before Minority share of profit (IX-X)	574.70	238.97	202.71	3749.59	701.98	4418.55	883.94		
	Less: Minority interest share on profit	-	-	-	-	-	(0.08)	0.04		
XII	Profit for the year	574.70	238.97	202.71	3749.59	701.98	4418.63	883.90		
	EARNING PER SHARE									
	Basic Earning per Share (Rs.)	1.49	0.62	0.53	9.70	1.82	11.43	2.29		
	Diluted Earning per Share (Rs.)	1.49	0.62	0.53	9.70	1.82	11.43	2.29		
	Face Value per Share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00	10.00		

* Unaudited



CERTIFIED TRUE COPY
 FOR VLS FINANCE LTD.

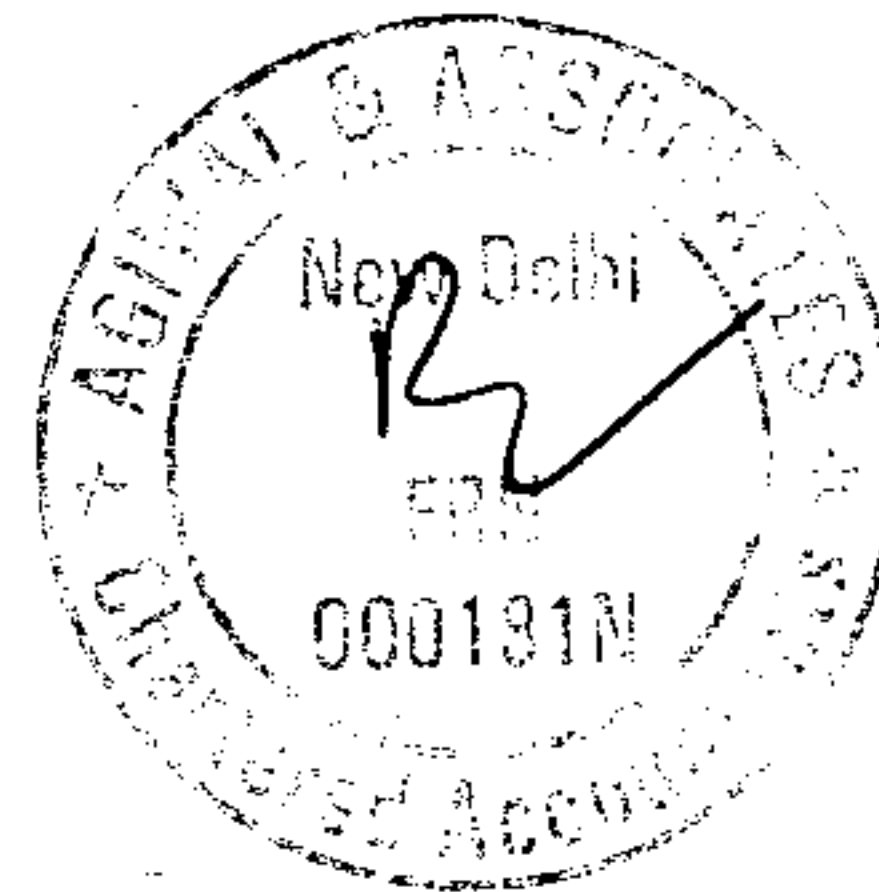
[Signature]
 Company Secretary

[Handwritten mark]

Notes:

1	The above financial results, were reviewed by the Audit Committee, and approved by the Board of Directors in their respective meetings held on 8th May, 2017.
2	The Consolidated accounts have been prepared as per Accounting Standard (AS21) on Consolidated Financial statements and Accounting Standard (AS 23) on accounting for Investments in Associates in Consolidated Financial Statements. The Consolidated results as shown include the audited results of the subsidiaries viz., VLS Securities Ltd and VLS Asset Management Ltd for the year ended 31/03/2017. Further the consolidated results as shown include the audited results of the associates as defined in the Companies Act, 2013 viz VLS Capital Ltd for the year ended 31/03/2017 and the audited results for the year ended 31/03/2016 of Sunair Hotels Ltd and the audited results for the year ended 31/03/2014 of BMS IT Institute Pvt Ltd.
3	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.
4	Certain Shares have been kept as margin with stock brokers.
5	The figures for the quarter ended 31st March, 2017 are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to third quarter of the relevant financial year.
6	The Board of Directors have recommended dividend of Rs.1/- per equity share on Face Value of Rs.10/- per share for for the financial year ended on March 31, 2017 subject to approval of the members at the ensuing Annual General Meeting.
7	The figures of the corresponding quarter/year have been regrouped/rearranged, wherever required, to conform to current Quarter/year figures as the case may be.
8	The results of the Company are available at Company's website www.vlsfinance.com .

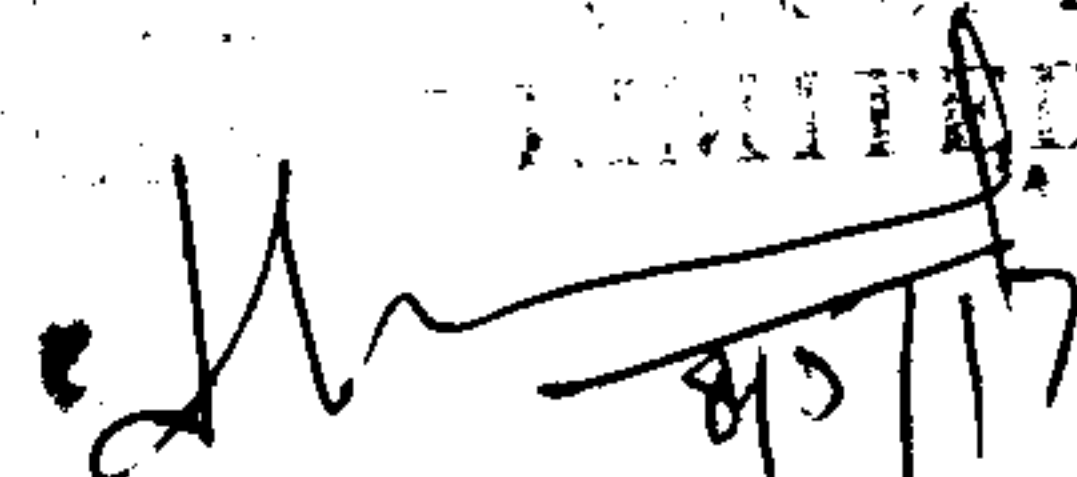
Place: New Delhi
Date: 08-05-2017



For & on behalf of the Board


S.K. AGARWAL
Managing Director
DIN:00106763

CERTIFIED TRUE COPY
For VLS Finance Limited


8/5/17
Company Secretary

