



VLS

XXXVII ANNUAL REPORT 2023-24

VLS FINANCE LIMITED

Regd. Office : Ground Floor, 90, Okhla Industrial Estate, Phase-III, New Delhi-110 020
CIN : L65910DL1986PLC023129, Email : vls@vlsfinance.com, Website : www.vlsfinance.com
Phone : 011-46656666

VLS FINANCE LIMITED

NOTICE

37th ANNUAL GENERAL MEETING

of the Members of the Company will be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") at 3:30 p.m. on Saturday, 28th September, 2024

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
Email : investor.services@rcmc.com

Our e-mail address:

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

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.

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.

BOARD OF DIRECTORS:

Shri Anoop Mishra*

Shri Gaurav Goel#

Shri S. K. Agarwal

Shri K. K. Soni

Shri D. K. Mehrotra

Shri Najeeb Hamid Jung#

Shri Adesh Kumar Jain*

Mrs. Neeraj Vinay Bansal^

Shri Shivesh Ram Mehrotra#

Shri Keshav Tandan^

Chairman - Independent Director
(DIN: 02849054)

Vice-Chairman- Non-Executive Director
(DIN: 00076111)

Managing Director
(DIN: 00106763)

Director-Finance & CFO
(DIN: 00106037)

Independent Director
(DIN: 00142711)

Independent Director
(DIN: 02941412)

Independent Director
(DIN: 00512969)

Independent Director
(DIN: 10499620)

Non-Executive Director
(DIN: 10259068)

Executive Director
(DIN: 10450801)

* Appointed w.e.f. 10/08/2023

Appointed w.e.f. 13/02/2024

^ Appointed w.e.f. 29/03/2024

COMPANY SECRETARY

Shri H. Consul

AUDITORS :

M/s. Agiwal & Associates

Chartered Accountants

(FRN: 000181N)

"Moti Kunj" D-6/9A,

Upper Ground Floor,

Rana Pratap Bagh, Delhi-110007

email: caagiwal68@gmail.com

BANKERS

HDFC Bank

UCO Bank

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DIRECTORS' REPORT

Your directors are pleased to present the 37th Annual Report of the Company together with the Audited Annual Accounts for the year ended 31st March, 2024.

1. Financial Results (Rs. in Lakhs)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Total Income	41,009.15	7,725.11
Less: Total Expenditure	2,304.14	1,933.94
Less: Finance Cost	20.56	7.20
Gross Profit/(loss)	38,684.45	5,783.97
Less: Depreciation	570.05	425.82
Profit/ (loss) before tax	38114.40	5,358.15
Less: Current Tax	(11062.78)	(507.91)
Add: Deferred Tax	4,970.37	393.76
Net Profit/ (loss) after tax	32,021.99	5,244.00
Paid up Equity Share Capital (excluding calls in arrears)	3,491.82	3,535.00
Reserves excluding revaluation reserve	1,97,411.05	1,45,797.78
Earnings per share (Rs.)	91.89	13.57

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

2. Management Discussion and Analysis

Industry Structure and Development

The trend in the Indian Stock Market had largely been upbeat during the year under review. The global economy continued to face challenges with fear of recession looming large in several countries. The continuing war between Ukraine and Russia and between Israel and Hamas with visible unrest in some parts of the world continues to be a cause of concern.

Health Safety and Pandemic Risk

The Company and its subsidiaries have been proactive enough in adopting the digital mode since the Covid-19 outbreak has ensured best health safety measures for employees and uninterrupted service to the stakeholders in the Post COVID-19 era. The Company's continuing focus on liquidity, near zero debt supported by a strong balance sheet and acceleration in cost optimization initiatives, have been of great help in navigating any near-term challenge.

Outlook, Risks and Concerns

The underlying strength of Indian demand and consumption, continues to remain healthy. The performance of your Company is closely linked to those of the stock markets.

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', Production Linked Incentive in various sectors, emphasis on building up infrastructure by the government is expected to infuse further capital investment in the country and thus more opportunities for the financial sector. The Company is looking forward to grasp the available opportunities. The Company is also focusing on permitted avenues as a member of the Stock Exchange. The uncertain state of the global economy however continues to remain a cause of concern.

Adequacy of Internal Financial Control Systems

The management in consultation with Internal Auditors on an ongoing basis monitors and evaluates 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.

Financial Review

During the year under review, your Company generated total income of Rs. 41,009.15 lakhs as against Rs. 7,725.11 lakhs in the previous year. The other income included in the aforesaid total income was Rs. 1,019.72 lakhs for the year under review as against Rs. 153.77 lakhs in the previous year. The Company has earned a net profit before tax of Rs. 38,114.40 lakhs for the year under review as compared to the profit of Rs. 5,358.15 lakhs in previous year. The other comprehensive income for the period stood at Rs. 20,799.45 lakhs as compared to the corresponding other comprehensive income of (Rs. 20,108.07) 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 ("the Act"), read with relevant Rules issued thereunder and in conformity with the accounting principles generally accepted in India.

Key Ratios

Please refer Note no. 49 of Standalone Financial Results for Key ratios and related information thereon.

Segment wise Performance

Ind-AS 108 on Operating Segments has been complied with. Please refer Note no. 54 of Standalone Financial Statements. Hence a 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 a dividend of 15% i.e. Rs. 1.50 per equity share plus special dividend of 10% i.e. Rs 1.00 per equity share of Rs. 10/- each for the year 2023-24 subject to approval of members. Cumulatively, a total Dividend of 25% i.e. Rs. 2.50 on face value of Rs.10/- per equity share has been recommended by the Board for the financial year 2023-2024. The dividend, if approved, will be paid to the registered members as on the cutoff date for the purpose of Annual General Meeting ('AGM') scheduled to be held on

28/09/2024. No amount was proposed to be transferred to the reserve during the year under review.

Further as per SEBI directive, members holding shares in physical form, who have not updated all of the following information viz. PAN, Choice of Nomination, Contact Details, phone/mobile number, email address, postal address, bank account details and specimen signature on their respective folios in the records of Company, the dividend, if any in respect of such folios shall be withheld and be paid only through electronic mode upon furnishing all the aforesaid information in entirety. Hence, members holding shares in physical form who have not updated all of the abovementioned information are requested to provide/update all your KYC details mentioned above in prescribed KYC Forms i.e. ISR-1, ISR-2, SH-13 or ISR-3 to the RTA viz. RCMC Share Registry Private Limited, B-25/1, First Floor, Okhla Industrial Area- Phase II, New Delhi-110 020 or to the Company at its registered office address at the earliest. Format of KYC Forms are available at website of the Company at <https://www.vlsfinance.com/kyc/>.

4. Buy-back

During the previous Financial year 2022-2023, the Board of Directors of the Company in its meeting held on 05-Jan-2023 had approved buy-back of its own shares by the Company from open market through Stock Exchange route in terms of proviso to clause (b) of sub section 2 of section 68 of the Companies Act, 2013 read with SEBI (Buy-back of Securities) Regulations, 2018 and other applicable regulations. The Buyback was offered to all eligible shareholders of the Company (other than the Promoters/ Promoter Group of the Company). The buyback so approved had commenced from 16/01/2023 and concluded on 29/05/2023. During the entire Buy-back period, the Company bought back 38,66,025 equity shares of Rs. 10/- each at an average price of Rs. 179.22 per share. A total sum of Rs. 69,28,58,736.35 (Rupees Sixty Nine Crores Twenty Eight Lacs Fifty Eight Thousand Seven Hundred Thirty Six and Paise Thirty Five only) (excluding transaction costs) was utilised for the said buyback. Post buyback the paid up share capital of the Company stood at 3,47,95,992 equity shares of Rs. 10/- each amounting to Rs. 34,91,82,170 (including an amount of Rs. 12,22,250/- received on 4,67,500 forfeited equity shares). Further, requisite compliances under applicable regulations have been made in respect of aforesaid buyback including for extinguishment of said shares so bought back. Further details in this regard may be accessed from the website of the Company i.e. www.vlsfinance.com or Stock Exchange's website viz. www.bseindia.com or www.nseindia.com.

5. Directors/ Key Managerial Personnel (KMP)

During the year under review and till the date of this report, following changes took place in the composition of the Board of Directors/ Key Managerial Personnel of your Company.

Appointment:

- Shri Adesh Kumar Jain (DIN: 00512969) aged about 70 years, was appointed as an Additional Director in the category of Non-Executive, Independent Director by the Board in its meeting held on 10/08/2023. His appointment was approved by members in the 36th Annual General Meeting held on 29/09/2023.
- Shri Anoop Mishra (DIN: 02849054) aged about 68 years, was appointed as an Additional Director in the category of Non-Executive, Independent Director by the Board in its meeting held on 10/08/2023. His appointment was approved

by members in the 36th Annual General Meeting held on 29/09/2023.

- Shri Najeeb Hamid Jung (DIN: 02941412) aged about 73 years, was appointed as an Additional Director in the category of Non-Executive, Independent Director by the Board in its meeting held on 13/02/2024. His appointment was approved by members through Postal ballot on 09/05/2024.
- Shri Shivesh Ram Mehrotra (DIN: 10259068) aged about 23 years, was appointed as an Additional Director in the category of Non-Executive, Non-Independent Director by the Board in its meeting held on 13/02/2024. His appointment was approved by members through Postal ballot on 09/05/2024.
- Shri Gaurav Goel (DIN: 00076111) aged about 50 years, was appointed as an Additional Director in the category of Non-Executive, Non-Independent Director by the Board in its meeting held on 13/02/2024. His appointment was approved by members through Postal ballot on 09/05/2024.
- Mrs. Neeraj Vinay Bansal (DIN: 10499620) aged about 71 years, was appointed as an Additional Director in the category of Non-Executive, Non-Independent Director by the Board in its meeting held on 29/03/2024. Her appointment was approved by members through Postal ballot on 09/05/2024.
- Shri Keshav Tandan (DIN: 10450801) aged about 44 years, was appointed as an Additional Director in the category of Non-Executive, Non-Independent Director by the Board in its meeting held on 29/03/2024 and in the same meeting he was appointed as a Wholetime Director designated as Executive Director for a period of 3 years and 6 months. His appointment both as Director and Wholetime Director was approved by members through Postal ballot on 09/05/2024.

Cessation:

- Shri Vikas Mehrotra (DIN: 06476150) Managing Director – International Operations and constituent of Promoter group left for his heavenly abode on 13/07/2023 and ceased to hold all positions in the Company from the same date.
- Shri Ajit Kumar (DIN: 00106597) Chairman and Independent Director left for his heavenly abode on 26/08/2023 and ceased to hold all positions in the Company from the same date.
- Ms. Divya Mehrotra (DIN: 00006494) Non- Executive, Non-Independent Director and constituent of Promoter group left for her heavenly abode on 04/01/2024 and ceased to hold all positions in the Company from the same date.
- Shri M. P. Mehrotra (DIN: 00016768) Executive Vice-Chairman and Promoter of the Company left for his heavenly abode on 05/04/2024 and ceased to hold all positions in the Company from the same date.

The Board places on record its sincere appreciation for the invaluable contribution made by Late Shri Ajit Kumar, Late Shri M. P. Mehrotra, Late Shri Vikas Mehrotra and Late Ms. Divya Mehrotra to the Company during their tenure with the Company. The Company will continue to be guided by their vision.

The opinion of the Board on expertise and other attributes of all Directors including Independent Directors has been charted in the Report on Corporate Governance enclosed as **Annexure-I** to this report.

Directors retiring by rotation:

In accordance with the provisions of Article 89 of the Articles of Association of the Company,

Shri Kishan Kumar Soni (DIN:00106037) and Shri Suresh Kumar Agarwal (DIN: 00106763) will be retiring by rotation at the ensuing AGM of your Company and being eligible, have offered themselves for re-appointment. Concurring to recommendation of Nomination and Remuneration Committee of the Company, your directors recommend their re-appointment.

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, 2024:

1. Shri M. P. Mehrotra- Executive Vice-Chairman (*Died on 05/04/2024 and ceased to hold all positions in Company from the same date*)
2. Shri S. K. Agarwal- Managing Director
3. Shri K. K. Soni- Director- Finance & Chief Financial Officer
4. Shri Keshav Tandan- Executive Director (*Appointed as a whole time Director designated as Executive Director w.e.f. 29/03/2024*)
5. Shri H. Consul- Company Secretary

6. Independent Directors

The 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.

During the year ended 31/03/2024, 1 (one) meeting of Independent Directors was held on 29/03/2024 as detailed hereunder:

S. No.	Name of the Director	Whether Chairman / Member	No. of Meeting(s) attended during F.Y. 2023-2024 and date(s)	
1	Shri Anoop Mishra	Chairman	1	29/03/2024
2	Shri D. K. Mehrotra	Member	1	29/03/2024
3	Shri Najeeb Hamid Jung	Member	0	--
4	Shri Adesh Kumar Jain	Member	1	29/03/2024
5	Mrs. Neeraj Vinay Bansal*	N.A.	N.A.	N.A.

*Since Independent Directors meeting was scheduled to be held prior to the meeting of the Board in which Mrs. Neeraj Vinay Bansal was appointed as an Additional Director in the category of Non-Executive, Independent Director on 29/03/2024, she was not eligible to attend the meeting of Independent Directors held on even date.

In the meeting of Independent Directors, held on 29/03/2024 pursuant to Schedule IV of the Act and the Listing Regulations,

the Independent Directors reviewed the performance of the Chairman and Non-Independent Directors of the Company. 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. Their conclusion on all the issues discussed was satisfactory.

7. Number of Board and Committee Meetings

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

8. Corporate Governance and Compliance Certificate

We have reported in Annexure-I 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, through Shri Ashutosh Aggarwal, Practicing Company Secretary (COP: 7467 and Peer Review Certificate No. 1097 / 2021) confirming that as on 31/03/2024, none of the Directors of the Company has 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.

9. 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, 2024, 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, 2024 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.

10. 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 28/05/2024. 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 also carried out annual evaluation of each Director's performance in its meeting held on 28/05/2024 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.

11. 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.

12. Corporate Social Responsibility (CSR)

The Company is covered under the threshold prescribed under the Act for CSR. During the year under review, the Company had allocated total amount of Rs. 3,33,49,379/- for spending in the F. Y. 2023-2024. The utilization statement is appended below:

Financial Year	Allocated Amount (in Rs.)	Proposal put up for disbursement (in Rs.)	Proposed Recipient entity and project	Amount Unspent (cumulative) (in Rs.)
			Opening Balance for F.Y. 2023-24	Nil
2023-24	3,33,49,379/-	11,00,000/-	Friends of Tribals Society NS-15/H-5 (Between ED & FD Block), Pitampura, Delhi-110034 Project Ekal Vidyalaya for 50 centres in the state of Rajasthan	3,22,49,379/-
		11,00,000/-	Bharat Lok Shiksha Parishad NS-15/H-5 (Between ED & FD Block), Pitampura, Delhi-110034 Project Ekal Vidyalaya for 50 centres in the state of Himanchal Pradesh	3,11,49,379/-
		6,85,380/-	IIMPACT, Gurgaon (assistance for five learning centers located in the rural areas of U.P., Rajasthan and Uttarakhand)	3,04,63,999/-
		1,50,00,000/-	Sri Sathya Sai Health and Education Trust for cardiac treatment of children including heart surgeries.	1,54,63,999/-
		15,29,935/-	Sankat Mochan Dham Trust for completion of construction work of science lab in Smt. Kasturi Devi Parashar Inter College located in village Salai, District Kasganj (U.P.). (approved as an Ongoing project)	1,39,34,064/-
		22,66,125/-*	Sankat Mochan Dham Trust for construction of computer training center in Smt. Kasturi Devi Parashar Inter College located in village Salai, District Kasganj (U.P.). (approved as an Ongoing project)	1,16,67,939/-
		20,55,438/-*	Aanchal Nyas for installation of a solar system, cooling system, purchase of kitchen equipments and purchase of a 7 seater Eeco van for school in village Dhabarsi, District Ghaziabad, Uttar Pradesh. (approved as an Ongoing project)	96,12,501/-
		96,12,501/-*	Smt. Sunderdevi Memorial Charitable Trust for construction of a girl's school. (approved as an Ongoing project)	Nil
			Balance	Nil

\$ Rs.15,29,935/- was allocated to 'Shree Sankat Mochan Dham Trust' by the Board in its meeting held on 13-02-2024 for completion of construction work of science lab in Smt. Kasturi Devi Parashar Inter College located in village Salai, District Kasganj (U.P.) which was categorized as an Ongoing Project. Out of allocated funds, Rs.10,00,000/- was disbursed on 29/02/2024 and utilized by said entity during the financial year ended 31-03-2024. The remaining amount i.e. Rs.5,29,935/- was transferred to the 'UCSR account' as per extant rules.

*Transferred to "VLS Finance Ltd. – Unspent Corporate Social Responsibility Account 2024" ('UCSR account') in pursuance to Section 135(6) for the Companies Act, 2013 read with Rule 2(1)(i) the Companies (Corporate Social Responsibility Policy) Rules,

2014. Cumulatively an amount of Rs. 1,44,63,999/- was transferred to the UCSR account.

For the financial year 2023-24, from the entire corpus available for CSR initiative by the Company, Rs. 1,88,85,380/- had been spent in various projects during the entire financial year and an amount of Rs. 1,44,63,999/- had been Transferred to "VLS Finance Ltd. – Unspent Corporate Social Responsibility Account" in pursuance to Section 135(6) for the Companies Act, 2013 read with Rule 2(1)(i) the Companies (Corporate Social Responsibility Policy) Rules, 2014. No unspent amount has been left in the corpus for the year 2023-24 requiring transfer to Fund in terms of second proviso to subsection 5 of Section 135 of the Companies Act, 2013.

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

13. Annual Return Extract (MGT-9)

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company as on March 31, 2024 is available on the website of the Company at www.vlsfinance.com.

14. 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 provides 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 31/03/2024.

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 Nomination and Remuneration Committee ('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 adhering to the highest standards of ethical, moral and legal conduct of business operations. The 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. It is hereby affirmed that no person was denied access to the Audit Committee.

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

15. Contracts with Related Party

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

16. Auditors

Statutory Auditors

In terms of Section 139 read with Companies (Audit and Auditors) Rules, 2014 M/s. Agiwal & Associates, Chartered Accountants (FRN: 000181N) had been appointed for a period of 5 years i.e. from the conclusion of 35th Annual General Meeting till the conclusion of 40th Annual General Meeting of the Company subject to applicable regulations. The members in the 35th AGM of the Company had authorised the Board to fix the remuneration of the Auditors. The Statutory Auditors have consented to continue as Statutory Auditors and have given confirmation that they are eligible to continue with their appointment and have not been disqualified in any manner for continuing as Statutory Auditors.

Cost Auditor

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

Secretarial Auditors

The Board in its meeting held on 28/05/2024 had reappointed M/s. A. Aggarwal & Associates-Company Secretaries (COP: 7467) as Secretarial Auditors for the financial year 2024-25 who were also the Secretarial Auditors of the Company for the financial year 2023-24 in compliance with Section 204 of the Companies Act, 2013 read with regulation 24A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

17. 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. Further, the Auditors have not reported any fraud in terms of Section 143(12) of the Companies Act, 2013 to the Board for the year under review.

18. Secretarial Audit Report

The Secretarial Audit Report for the year 2023-24 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-IV**. The said report does not contain any adverse remarks or observation by the Secretarial Auditor.

19. Statutory Information.

- The Company has paid the annual listing fees for the year 2024-25 to BSE Ltd. and The National Stock Exchange of India Ltd. and the custodian fees to National Securities Depository Ltd. and Central Securities Depository Ltd.
- 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, to complete formalities of delisting, it was learnt that CSE had suspended the scrip of your Company alleging nonpayment 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 2019-20 onwards, 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.
- 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).
- There had been no change in the nature of business and name of Company during the year under review. Further, no proceedings/ application under Insolvency and Bankruptcy Code, 2016 had been made/pending against the Company.
- During the year under review, the Company did not absorb any new technology or carry out any R&D related activity for this purpose except mandated as member of Stock Exchange. 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-V** to this report.
- Your Company's principal business is acquisition of securities; hence Section 186 of the Act is not applicable.

- 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. Further, there was no one time settlement with Bank/ Financial Institutions 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 -VI** to this report.
- During the year under review, Executive Vice-Chairman, Managing Director and Director- Finance & CFO of your company were not in receipt of any remuneration or commission from any subsidiary company in terms of Section 197(14) of the Companies Act, 2013 and had been appointed by passing special resolution for 3 years.
- 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. Further, there were no material changes or commitments affecting the financial position of the Company occurred between the year under review and date of this report.
- In the annual financial statements for the year under review, the disclosures of those items, where amount for the year under review and corresponding previous year was Nil, had been dispensed with, though required to be disclosed under applicable regulations.

20. 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.

21. Human Resources

Employee relations continued to be cordial during the year. The number of employees stood at 35 (Thirty Five) 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 the 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.

22. 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.

23. Subsidiary/Associate Companies

Statement pursuant to Section 129(3) of the Companies Act, 2013 for the financial year ended 31/03/2024 in respect of the subsidiary/associate companies, is enclosed with Annual Accounts of the Company. Please refer to Note no. 52 of Notes forming part of consolidated financial statement in the Annual Report for the year under review.

The consolidated financial results include the audited financial results for the year ended on 31/03/2024 of the subsidiaries VLS Securities Limited (100%), VLS Real Estate Limited (100%) and VLS Asset Management Limited (99.15%). The financial results of VLS Capital Ltd. for the same period have been consolidated under equity method of accounting as an associate of VLS Securities Ltd. a subsidiary of the Company, since it was not consolidated by said subsidiary in view of exemption available under Section 129 read with Rule 6 of the Companies (Accounts) Rules, 2014. The financial results of Sunair Hotels Ltd. ('Sunair') are not included in these consolidated financial statements as 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.

24. 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.

25. Acknowledgements

The Directors thank the Company's business associates, Bankers, the Securities & Exchange Board of India and Stock Exchanges, employees, 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 : 28/05/2024

S.K. Agarwal
Managing Director
DIN: 00106763

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

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 stakeholders. 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 strength of the Board as on 31st March 2024 was 11 Directors. Except Shri M. P. Mehrotra- *Executive Vice-Chairman*, Shri S. K. Agarwal- *Managing Director*, Shri K. K. Soni- *Director- Finance & CFO* and Shri Keshav Tandan -*Executive Director* all are non-executive Director, consisting of 5 (five) independent directors and 2 (two) non-executive & non-independent directors. The Chairman is Non-Executive, Independent Director. The present constitution of Board also 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 read with regulation 16(1)(b) of the listing regulations and other relevant laws as per declarations received by the Company. The details of changes in Board of Directors have been dealt with in Directors' Report under the head 'Directorate'. The information provided in this Report on Corporate Governance is as on March 31, 2024, and update, if any, have been indicated separately in this report.

The attendance record of directors for the year ended 31/03/2024 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. 2023-2024	Whether attended AGM held on 29/09/2023	No. of Directorships in other Public Limited Companies as on 31/03/2024	No. of Committee positions held in other Public Limited Companies	
						Chairman	Member
1)	Shri Anoop Mishra- Chairman (appointed as Director w.e.f. 10/08/2023 and Chairman on 25/09/2023)	Independent, Non-Executive	5	Yes (Chairman)	2	1	1
2)	Shri D. K. Mehrotra	Independent, Non-Executive	6	Yes	3	0	2
3)	Shri Adesh Kumar Jain (appointed w.e.f. 10/08/2023)	Independent, Non-Executive	5	Yes	1	0	1
4)	Shri Najeeb Hamid Jung (appointed w.e.f. 13/02/2024)	Independent, Non-Executive	2	NA	0	0	0
5)	Mrs. Neeraj Vinay Bansal (appointed w.e.f. 29/03/2024)	Independent, Non-Executive	1	NA	0	0	0
6)	Shri Gaurav Goel (appointed w.e.f. 13/02/2024)	Non-Executive	1	NA	5	0	4
7)	Shri Shivesh Ram Mehrotra (appointed w.e.f. 13/02/2024)	Non-Executive	0	NA	0	0	0
8)	Shri S. K. Agarwal (Managing Director)	Executive	6	Yes	3	0	0
9)	Shri K. K. Soni (Director- Finance & CFO)	Executive	6	Yes	4	1	2
10)	Shri Keshav Tandan (Executive Director) (appointed w.e.f. 29/03/2024)	Executive	1	NA	1	0	0
11)	Dr. (Mrs.) Neeraj Arora (Resigned w.e.f. 10/05/2023)	Non-Executive	NA	NA	1	0	0
12)	Shri D. K. Chatterjee (Resigned w.e.f. 04/05/2023)	Independent, Non-Executive	NA	NA	1	1	2
13)	Shri Ajit Kumar (Chairman, ceased w.e.f. 26/08/2023)	Independent, Non-Executive	1	NA	0	0	0
14)	Shri M. P. Mehrotra (Executive Vice-Chairman) (ceased w.e.f. 05/04/2024)	Promoter, Executive	5	No	4	1	2
15)	Shri Vikas Mehrotra (Managing Director – International Operations) (ceased w.e.f. 13/07/2023)	Promoter Group, Executive	1	No	2	0	0
16)	Ms. Divya Mehrotra (ceased w.e.f. 04/01/2024)	Promoter Group, Non-Executive	4	No	4	0	0

Membership count includes the count in which Director is the Chairman (As per FAQ on Corporate Governance)

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.

a) **Board meetings and attendance**

During the year ended 31/03/2024, 6 (six) Board Meetings were held on 27/05/2023, 10/08/2023, 25/09/2023, 26/10/2023, 13/02/2024 and 29/03/2024 with atleast one meeting in every quarter 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 Meeting 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	27/05/2023	7	7	None
2	10/08/2023	8 ^a	7	Ajit Kumar
3	25/09/2023	7 [@]	7	None
4	26/10/2023	7	7	None
5	13/02/2024	9 ^{\$}	7	Shri Shivesh Ram Mehrotra and Shri Gaurav Goel
6	29/03/2024	11 [^]	9	Shri Shivesh Ram Mehrotra and Shri M. P. Mehrotra

& post appointment of Shri Anoop Mishra and Shri Adesh Kumar Jain on 10/08/2023 and demise of Shri Vikas Mehrotra on 13/07/2023.

@ after demise of Shri Ajit Kumar on 26/08/2023.

\$ post appointment of Shri Najeeb Hamid Jung, Shri Shivesh Ram Mehrotra and Shri Gaurav Goel on 13/02/2024 and demise of Ms. Divya Mehrotra on 04/01/2024.

^ post appointment of Mrs. Neeraj Vinay Bansal and Shri Keshav Tandan on 29/03/2024.

c) 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.

d) 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.

e) Details of remuneration paid to the Directors during the Financial year ended on 31/03/2024:

(Amount in Lacs)

S. No.	Name of the Director	Salary	Perquisites	Sitting fee	Commission	Total
1	Shri Anoop Mishra [#]	N.A.	N.A.	5.45	N.A.	5.45
2	Shri D. K. Mehrotra	N.A.	N.A.	5.70	N.A.	5.70
3	Shri Adesh Kumar Jain [#]	N.A.	N.A.	5.10	N.A.	5.10
4	Shri Najeeb Hamid Jung ^{\$}	N.A.	N.A.	1.20	N.A.	1.20
5	Mrs. Neeraj Vinay Bansal ^{&}	N.A.	N.A.	0.60	N.A.	0.60
6	Shri S. K. Agarwal	50.41	0.00	N.A.	N.A.	50.41
7	Shri K. K. Soni	48.28	0.00	N.A.	N.A.	48.28
8	Shri Gaurav Goel ^{\$}	N.A.	N.A.	0.60	N.A.	0.60
9	Shri Shivesh Ram Mehrotra ^{\$}	N.A.	N.A.	0.00	N.A.	0.00
10	Shri Keshav Tandan ^{&}	0.47	0.00	N.A.	N.A.	0.47
11	Shri Ajit Kumar [*]	N.A.	N.A.	1.25	N.A.	1.25
12	Shri M. P. Mehrotra ^{**}	94.04	0.00	N.A.	N.A.	94.04
13	Shri Vikas Mehrotra ^{***}	22.91	N.A.	N.A.	N.A.	22.91
14	Ms. Divya Mehrotra ^{****}	N.A.	N.A.	3.00	N.A.	3.00

* Died on 26/08/2023 # Appointed on 10/08/2023 ** Died on 05/04/2024 \$ Appointed on 13/02/2024 *** Died on 13/07/2023 & Appointed on 29/03/2024 **** Died on 04/01/2024

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 Non-Executive Directors do not have any pecuniary relationship/transaction with the Company in their personal capacity other than Sitting Fees and reimbursement of expenses for attending meetings of the Board and Committees thereof.* The criteria can also be accessed at www.vlsfinance.com.

- iii) Shri Vikas Mehrotra held 4,85,783 equity shares and Ms. Divya Mehrotra held 5,41,393 equity shares. Further, Shri M. P. Mehrotra, Shri S. K. Agarwal and Shri K. K. Soni hold 1 equity share each of the Company as on 31/03/2024. Shri Adesh Kumar Jain- Independent Director held 6000 equity shares of the Company together with his relatives as on 31/03/2024. No other director held any share of the Company on the said date. None of the Directors except Shri M. P. Mehrotra, Shri Vikas Mehrotra, Ms. Divya Mehrotra, Shri Shivesh Ram Mehrotra and Dr. (Mrs.) Neeraj Arora are related to each other.
- iv) Shri Keshav Tandan – Wholetime Director of the Company designated as an Executive Director was appointed by the Board in its meeting held on 29/03/2024 for a period of 3 years and 6 months w.e.f. 29/03/2024, on such remuneration and other terms and conditions as are expressed and contained in the agreement dated 29/03/2024 entered into for this purpose between the Company and the Executive Director and approved by the members of the Company through postal ballot on 09/05/2024. Shri M. P. Mehrotra had been re-appointed as Executive Director designated as Executive Vice - Chairman by the Board in its meeting held on 27/05/2023 for a period of 3 years w.e.f. 01/08/2023 to 31/07/2026 and approved by the members of the Company in the Annual General Meeting held on 29/09/2023. 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 is 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' in the Directors' Report.

f) 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 31/03/2024.

Date: 28/05/2024
Place: New Delhi

S. K. Agarwal
Managing Director
DIN: 00106763

g) Disclosures regarding appointment or re-appointment of Directors

The relevant information about Directors retiring by rotation and appointment of Independent Directors has been furnished in notice convening the ensuing Annual General Meeting.

h) Details of familiarization program imparted to Independent Directors can be accessed at www.vlsfinance.com.

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

Name of Directors	Name of Listed Company	Category
Shri Anoop Mishra [#]	VLS Finance Ltd.	Chairman- Independent Director
Shri D. K. Mehrotra	VLS Finance Ltd.	Independent Director
	Computer Age Management Services Ltd.	Chairman- Independent Director
	UTI Asset Management Co. Ltd.	Non-Executive Chairman and Independent Director
Shri Adesh Kumar Jain [#]	SBI Cards and Payment Services Ltd.	Independent Director
	VLS Finance Ltd.	Independent Director
Shri Adesh Kumar Jain [#]	South Asian Enterprises Ltd.	Independent Director
Shri Najeeb Hamid Jung [§]	VLS Finance Ltd.	Independent Director
Mrs. Neeraj Vinay Bansal [§]	VLS Finance Ltd.	Independent Director
Shri S. K. Agarwal	VLS Finance Ltd.	Managing Director
Shri K. K. Soni	VLS Finance Ltd.	Director- Finance & CFO
	South Asian Enterprises Ltd.	Non-Executive, Non – Independent Director
Shri Gaurav Goel [§]	VLS Finance Ltd.	Non-Executive, Non-Independent Director
	Dhampur Sugar Mills Ltd.	Managing Director
	Mangalam Cement Ltd.	Independent Director
Shri Shivesh Ram Mehrotra [§]	VLS Finance Ltd.	Non-Executive, Non-Independent Director
Shri Keshav Tandan [§]	VLS Finance Ltd.	Executive Director
Shri Ajit Kumar*	VLS Finance Ltd.	Chairman- Independent Director
Shri M. P. Mehrotra**	VLS Finance Ltd.	Executive Vice - Chairman
	South Asian Enterprises Ltd.	Non-Executive, Non-Independent Director
	Dhampur Sugar Mills Ltd.	Independent Director
Shri Vikas Mehrotra***	VLS Finance Ltd.	Managing Director- International Operations
Ms. Divya Mehrotra****	VLS Finance Ltd.	Non-Executive, Non-Independent Director
Shri D. K. Chatterjee [!]	VLS Finance Ltd.	Independent Director
	UTI Asset Management Company Ltd.	Independent Director
Dr. (Mrs.) Neeraj Arora ^{!!}	VLS Finance Ltd.	Non-Executive, Non-Independent Director
	South Asian Enterprises Ltd.	Non-Executive, Non-Independent Director

- * Died on 26/08/2023 # Appointed on 10/08/2023 ! Resigned on 04/05/2023
 ** Died on 05/04/2024 \$ Appointed on 13/02/2024 !! Resigned on 10/05/2023
 *** Died on 13/07/2023 & Appointed on 29/03/2024
 **** Died on 04/01/2024

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.

Norms for ascertaining expertise of Director	
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 Anoop Mishra [#]	√	√	√
Shri D. K. Mehrotra	√	√	√
Shri Adesh Kumar Jain [#]	√	√	√
Shri Najeeb Hamid Jung [§]	-	√	√
Mrs. Neeraj Vinay Bansal [§]	√	√	√
Shri S. K. Agarwal	√	√	√
Shri K. K. Soni	√	√	√
Shri Gaurav Goe [§]	√	√	√
Shri Shivesh Ram Mehrotra [§]	-	-	√
Shri Keshav Tandan [§]	√	√	√
Shri Ajit Kumar [*]	-	√	√
Shri M. P. Mehrotra ^{**}	√	√	√
Shri Vikas Mehrotra ^{***}	√	-	√
Ms. Divya Mehrotra ^{****}	-	-	√
Shri D. K. Chatterjee [!]	√	√	√
Dr. (Mrs.) Neeraj Arora ^{!!}	-	-	√

* Died on 26/08/2023 # Appointed on 10/08/2023 ! Resigned on 04/05/2023

** Died on 05/04/2024 \$ Appointed on 13/02/2024 !! Resigned on 10/05/2023

*** Died on 13/07/2023 & Appointed on 29/03/2024 **** Died on 04/01/2024

2. Audit Committee

a) Composition

As on 01/04/2023, the Audit Committee consisted of Shri Ajit Kumar - Chairman, Shri D. K. Mehrotra and Shri M. P. Mehrotra – Members. The Board on 10/08/2023 reconstituted the Committee by nominating Shri Adesh Kumar Jain and Shri Anoop Mishra as member of the Committee. The Committee has elected Shri Adesh Kumar Jain as Chairman of the Committee, due to the sad demise of Shri Ajit Kumar on 26/08/2023. The Board again reconstituted the Committee by nominating Shri Najeeb Hamid Jung and Mrs. Neeraj Vinay Bansal, as member of the Committee in its meeting dated 29/03/2024. Further, after the sad demise of Shri M. P. Mehrotra on 05/04/2024, the Board in its meeting held on 30/04/2024 had nominated Shri S. K. Agarwal as member in the Committee. The Company Secretary acts as Secretary of the Committee.

The majority of members are Independent Directors. All the members of Committee are financially literate in terms of relevant stipulation under Regulation 18 of the Listing Regulations and two 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. The Company Secretary acts as Secretary of the Committee.

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 Statutory Auditors are regularly invited for meetings of the Committee. The Internal Auditors, the Director-Finance & CFO and other executives are also invited to the Committee's meetings. The minutes of Audit Committee meetings are regularly placed before the Board. The Board has accepted all the recommendations made by the Audit Committee during the year under review.

c) Meetings and attendance

During the year ended 31/03/2024, 4 (Four) meetings of Audit Committee were held on 27/05/2023, 10/08/2023, 26/10/2023 and 13/02/2024. The summary of attendance of members is as under:

Name	Attendance in meetings
Shri Adesh Kumar Jain	3
Shri Anoop Mishra	3
Shri Dinesh Kumar Mehrotra	4
Shri Suresh Kumar Agarwal	NA
Shri Najeeb Hamid Jung	NA
Mrs. Neeraj Vinay Bansal	NA
Shri Ajit Kumar*	1
Shri M. P. Mehrotra**	4

* Died on 26/08/2023 ** Died on 05/04/2024

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	27/05/2023	3	3	Nil
2	10/08/2023	5	4	Leave was granted to Shri Ajit Kumar
3	26/10/2023	4	4	Nil
4	13/02/2024	4	4	Nil

3. Nomination and Remuneration Committee

a) Composition

The Nomination and Remuneration Committee ('NRC') as on 01/04/2023 consisted of Shri D. K. Mehrotra as Chairman with Shri Ajit Kumar and Dr. (Mrs.) Neeraj Arora as members. Dr. (Mrs.) Neeraj Arora had ceased to be a member of the Committee due to her resignation as Director w.e.f. 10/05/2023. The Board, in its meeting held on 27/05/2023, had nominated Ms. Divya Mehrotra as member of the Committee. The Board on 10/08/2023 reconstituted the Committee by nominating Shri Adesh Kumar Jain and Shri Anoop Mishra as members of the Committee. The Board again reconstituted the Committee in its meeting held on 29/03/2024 and nominated Mrs. Neeraj Vinay Bansal in the Committee. Further, the Board in its meeting held on 30/04/2024 nominated Shri Gaurav Goel in the Committee. 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, five meetings of NRC were held on 27/05/2023, 10/08/2023, 25/09/2023, 13/02/2024 and 29/03/2024. 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 minutes of NRC Committee meetings are regularly placed before the Board. The Board had accepted all the recommendations made by NRC Committee during the year under review.

c) Meetings and attendance

The summary of attendance of members is as under:

Name	Attendance in meetings
Shri Adesh Kumar Jain #	4
Shri Anoop Mishra#	4
Shri Dinesh Kumar Mehrotra	4
Shri Ajit Kumar*	1
Ms. Divya Mehrotra**	3
Mrs. Neeraj Vinay Bansal@	0
Shri Gaurav Goel!	0

* Died on 26/08/2023 ** Died on 04/01/2024 # nominated w.e.f. 10/08/2023 @ nominated w.e.f. 29/03/2024

! Nominated w.e.f. 30/04/2024

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	27/05/2023	3	3	Nil
2	10/08/2023	5	4	Leave was granted to Shri Ajit Kumar
3	25/09/2023	4	4	Nil
4	13/02/2024	3	3	Nil
5	29/03/2024	3	2	Leave was granted to Shri Dinesh Kumar Mehrotra

4. Stakeholders Relationship Committee

a) Composition and terms of reference

The Committee as on 01/04/2023 consisted of Shri Ajit Kumar – Independent Director as Chairman, Shri S. K. Agarwal and Shri K. K. Soni as members. The Board in its meeting held on 10/08/2023 had nominated Shri Anoop Mishra as member. Shri Ajit Kumar ceased to be constituent of Committee w.e.f. 26/08/2024 due to his sad demise. Shri Anoop Mishra was elected

Chairman of the Committee post cessation of Shri Ajit Kumar as Chairman w.e.f. 26/08/2023. 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 shareholder's 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.

As a step towards providing better services to its shareholders, individual members of the Committee 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, 10 (Ten) meetings of Stakeholders Relationship Committee ('SRC') were held on 28/04/2023, 09/06/2023, 12/07/2023, 29/08/2023, 22/09/2023, 06/11/2023, 20/12/2023, 31/01/2024, 02/03/2024 and 28/03/2024.

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

Name	Attendance in meetings
Shri Anoop Mishra [#]	7
Shri S. K. Agarwal	9
Shri K. K. Soni	9
Shri Ajit Kumar*	3

* Died on 26/08/2023 # nominated w.e.f. 10/08/2023.

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	28/04/2023	3	3	None
2	09/06/2023	3	2	Shri S. K. Agarwal
3	12/07/2023	3	3	None
4	29/08/2023	3	3	None
5	22/09/2023	3	3	None
6	06/11/2023	3	3	None
7	20/12/2023	3	3	None
8	31/01/2024	3	3	None
9	02/03/2024	3	3	None
10	28/03/2024	3	2	Shri K. K. Soni

c) Shareholders Complaints

The Company had received 3 (Three) complaints during the financial year ended 31st March, 2024. All the complaints whether received through SEBI, stock exchanges or individual members during the year were redressed to the satisfaction of the shareholders. 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.]	3	3
Total	3	3

** 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 01/04/2023, the Committee consisted of Shri Ajit Kumar - Independent Director as Chairman, Shri M. P. Mehrotra- Executive Vice-Chairman, Shri S. K. Agarwal - Managing Director and Shri Vikas Mehrotra - Managing Director – International Operations as members. Further, the Board in its meeting held on 10/08/2023 had nominated Shri Anoop Mishra and Shri Adesh Kumar Jain -Independent Directors in the CSR Committee. Shri Vikas Mehrotra and Shri Ajit Kumar ceased to be constituents of Committee due to sad demise on 13/07/2023 and 26/08/2023 respectively. The Board on 29/03/2024 nominated Shri Najeeb Hamid Jung in the CSR Committee. Later the Board reconstituted the Committee in its meeting held on 30/04/2024 and nominated Shri Gaurav Goel in the Committee. The terms of reference of CSR Committee are in compliance with the applicable regulations. During the year, 3 (Three) meetings of the Committee were held on 10/08/2023, 13/02/2024 and 29/03/2024. The Committee continues to comply with the constitution norms stipulated under applicable laws. The Company Secretary acts as Secretary of Committee.

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

Name	Shri Vikas Mehrotra*	Shri Ajit Kumar**	Shri M. P. Mehrotra***	Shri S. K. Agarwal	Shri Anoop Mishra [@]	Shri Adesh Kumar Jain [!]	Shri Najeeb Hamid Jung [@]	Shri Gaurav Goel!
Attendance in meetings	0	0	3	3	3	3	0	0

* Died on 13/07/2023 *** Died on 05/04/2024 **Died on 26/08/2023 # Nominated w.e.f. 10/08/2023 @ Nominated w.e.f. 29/03/2024 ! Nominated w.e.f. 30/04/2024

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	10/08/2023	5	4	Shri Ajit Kumar
2	13/02/2024	4	4	None
3	29/03/2024	4	4	None

6. Other Committees of Board of Directors:

a) Operations Management Committee

Composition and terms of reference

As on 01/04/2023, the Committee consisted of Shri Ajit Kumar - Independent Director as Chairman, Shri M. P. Mehrotra – Executive Vice-Chairman, Shri S. K. Agarwal - Managing Director and Shri K. K. Soni – Director-Finance & CFO as members. The terms of reference of Committee are approved by the Board. During the year no meeting of the Committee was held.

b) Risk Management Committee

The provisions of Regulation 21 read with clause 5A of part C of Schedule V of Listing Regulations are not applicable to the Company for the year under review though the Board has constituted an internal committee for monitoring risk management.

c) Buyback Committee

The Committee was constituted for facilitating buyback of shares approved by the Board on 05/01/2023 details whereof were reported in previous year's Directors' Report. The Committee consisted of Dr. R. L. Bishnoi, Shri M. P. Mehrotra, Shri S. K. Agarwal and Shri K. K. Soni. Dr. R. L. Bishnoi ceased to be constituent of Committee w.e.f. 01/03/2023. No meeting of the Committee was held during the financial year 2023-24.

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, 2023 (AGM)	September 29, 2023	3.30 p.m.	From registered office through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM')
March 31, 2022 (AGM)	September 30, 2022	3.30 p.m.	From registered office through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM')
1 st EGM of 2021	December, 30, 2021	3.30 p.m.	From Corporate office through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM')
March 31, 2021 (AGM)	September 30, 2021	3.30 p.m.	From registered office through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM')

b) Special resolution passed in the previous 3 AGMs

- In the AGM held on 30/09/2021, re-appointment of Shri Dinesh Kumar Mehrotra (DIN: 00142711) as a Non-Executive Independent Director of the Company for the 2nd term of 5 years and revision of remuneration of Shri Mahesh Prasad Mehrotra (DIN: 00016768) - Executive Vice-Chairman and Shri Suresh Kumar Agarwal (DIN: 00106763) - Managing Director and continuation of employment of Managing Director were approved by respective special resolutions.
- In the AGM held on 30/09/2022, re-appointment of Shri Suresh Kumar Agarwal (DIN: 00106763) - Managing Director and Shri Kishan Kumar Soni (DIN:00106037) as Director- Finance & CFO were approved by respective special resolutions.
- In the AGM held on 29/09/2023, appointment of Shri Adesh Kumar Jain (DIN: 00512969) as a Non-Executive Independent Director of the Company for the 1st term of 5 years, re-appointment of Shri Mahesh Prasad Mehrotra (DIN: 00016768) as the Whole-time Director designated as Executive Vice -Chairman, revision in remuneration of Shri Suresh Kumar Agarwal (DIN: 00106763) - Managing Director of the Company, revision in remuneration of Shri Kishan Kumar Soni (DIN: 00106037) – Director-Finance & CFO of the Company were approved by respective special resolutions.

c) 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 except for a delayed submission of Related party transaction report for the financial year ended 31/03/2023. As a consequence, a penalty was imposed by Stock Exchanges i.e. BSE Ltd. and The National Stock Exchange Ltd. under regulation 23(9) of the listing regulations read with SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 amounting to Rs. 64,900/- each on the Company which has been paid by the Company.

The Company received a notice of demand, under Section 156 of The Income Tax Act, 1961 of Rs. 25.97 Crore for Assessment Year 2022-23 (relevant Financial Year ended on 31.03.2022) issued by the Assistant Commissioner of Income Tax, Central Circle-17, Delhi on 01.04.2024. Against the notice of demand, the Company had filed an appeal before Commissioner (Appeals), Delhi on 20.04.2024.

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. The policy may be accessed at www.vlsfinance.com.

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.

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 Managing Director are held by separate persons and the Chairman is a non-executive director and is not related to the Managing Director. The Company do not have any CEO.

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 audit report are uploaded on **NEAPS** and other specified portal 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**.

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

10. Shareholders Information

a) Annual General Meeting

- **Date and time** : Saturday, 28th September, 2024 at 3.30 p.m.
- **Venue** : Video Conferencing ("VC") / Other Audio Visual Modes ("OAVM") from registered office of the Company situated at Ground Floor, 90, Okhla Industrial Estate, Phase-III, New Delhi-110020.
- **Financial Year** : April 2023 to March 2024.
- **Book Closure** : From 21/09/2024 to 28/09/2024 (both days inclusive)
- **Buy back of shares** : Please refer para 4 of the Director's Report.
- **Dividend payment date** : On or before 27/10/2024, if declared.

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) (Pending delisting) | (Scrip Code: 032019) |

The annual listing fee has been paid to BSE and NSE upto the year 2024-2025. 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, 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25 as of now.

c) Stock Market data

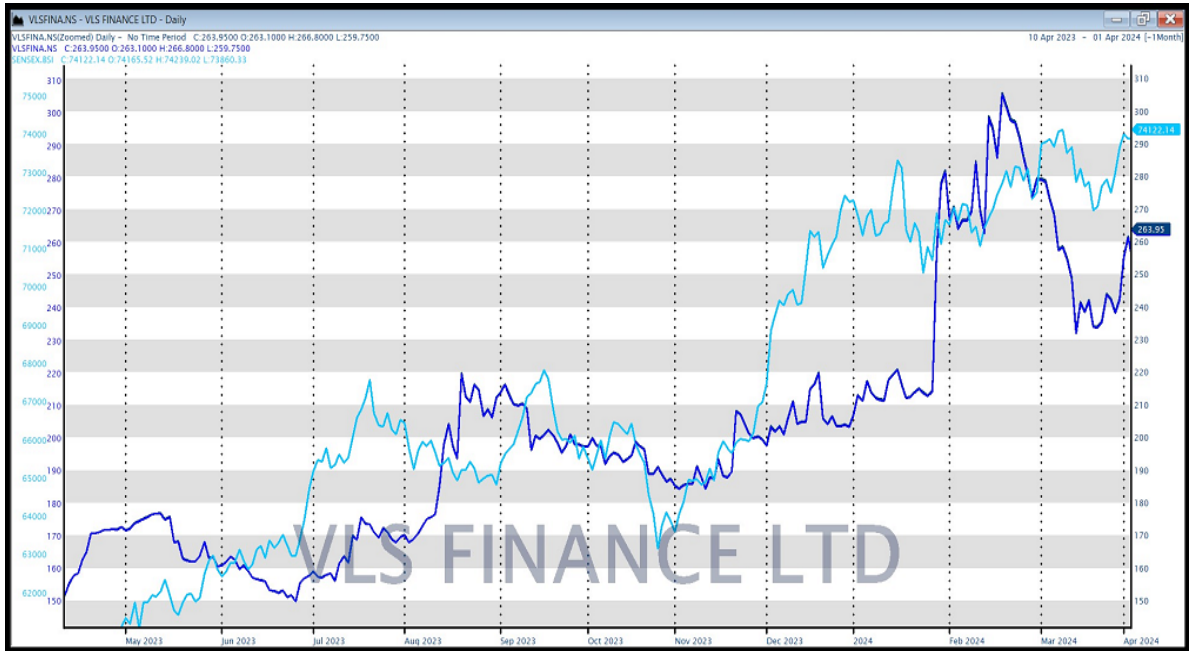
Monthly highs, lows and trading volume for the financial year 2023-2024:

Month	NSE			BSE		
	High	Low	Volume	High	Low	Volume
	Rs.	Rs.	Nos.	Rs.	Rs.	Nos.
Apr-23	173.95	140.55	879398	176.00	140.75	103341
May-23	180.70	158.80	769543	182.35	157.40	92849
Jun-23	168.50	149.00	795534	172.00	146.20	71706
Jul-23	180.45	155.00	780930	180.50	155.10	142374
Aug-23	232.40	167.10	6210221	232.95	166.95	553170
Sep-23	220.90	191.95	1288871	220.90	190.05	119640
Oct-23	202.90	177.00	773680	207.60	171.00	82799
Nov-23	212.90	181.80	1543310	212.50	182.00	143377
Dec-23	223.50	193.80	2574255	223.00	195.00	253404
Jan-24	296.70	203.55	6295652	296.60	203.80	647222
Feb-24	322.20	248.00	6205040	322.00	247.70	571528
Mar-24	284.40	228.90	1297227	285.00	227.25	204072
Total			29413661			2985482

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

NSE Graph of VLS Finance Ltd.



BSE Graph of VLS Finance Ltd.

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. 01/04/2024 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/TTC/CIR-15/2002 dated 27/12/2002.

e) Investors Correspondence

For any query relating to 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 – 26387320/21
Email- investor.services@rcmcdelhi.com

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

f) Distribution of shareholding as on March 31, 2024

Slab of share holdings	No. of share holders	%age	No. of shares	Nominal value of shares held (Lacs)	%age
1-500	20227	73.61	2720294.00	27202940.00	7.82
501-1000	5296	19.27	3484725.00	34847250.00	10.01
1001-2000	1055	3.84	1504180.00	15041800.00	4.32
2001-3000	297	1.08	762297.00	7622970.00	2.19
3001-4000	142	0.52	504971.00	5049710.00	1.45
4001-5000	114	0.41	536144.00	5361440.00	1.54
5001-10000	188	0.68	1334722.00	13347220.00	3.84
10001 and above	166	0.60	23948659.00	239486590.00	68.83
Total	27480	100.00	34795992.00	347959920.00	100.00

According to categories of shareholders as on March 31, 2024

Sl. No.	Categories	No. of Shares	Amount in Lacs	Percentage of Shareholding
1	Promoters, Directors and Relatives	17691936	1769.19	50.84
2	Financial Institution and Banks	10800	1.08	0.03
3	Alternate Investment Fund	0	0.00	0.00
4	Mutual Fund and Foreign Financial Institutions	400	0.04	0.00
5	Corporate Bodies	508241	50.82	1.46
6	Clearing Members	0	0.00	0.00
7	Indian Public	15546392	1554.64	44.68
8	NRI/OCBs/FN	222435	22.24	0.64
9	NBFC	0	0.00	0.00
10	LLP	8571	0.86	0.02
11	FPI	255148	25.51	0.74
12	HUF	552065	55.21	1.59
13	Other Directors and KMP	4	0.00	0.00

Sl. No.	Categories	No. of Shares	Amount in Lacs	Percentage of Shareholding
14	Demat Suspense account	0	0	0
15	Investor Education and Protection Fund	0	0	0
16	Others	0	0	0
	Grand Total	34795992	3479.599	100

g) Dematerialisation of Shares and liquidity

93.16% of the total share capital of Company was held in dematerialized form as on 31/03/2024. 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 31/03/2024.

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) Tentative Financial Calendar for the financial year ending 31st March 2025:

Particulars	Tentative Period
Quarter ending June 30, 2024	Second week of August, 2024
Quarter ending September 30, 2024	Second week of November, 2024
Quarter ending December 31, 2024	Second week of February, 2025
Quarter and Year ending March 31, 2024 #	End of May, 2025
Annual General Meeting for the year ended March 31, 2024	28 th September, 2024

For the quarter ending 31/03/2024 un-audited results may not be published and only audited results will be published, unless decided otherwise.

k) Material 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 the financial results for the immediate preceding financial year i.e. 2022-23, details of which are as follows:

Name	Date of Incorporation	Place of Incorporation	Name of Auditor	Date of appointment of Auditor
VLS Securities Limited	13/11/1994	New Delhi	M/s. Anil Pariek & Garg- Chartered Accountants (FRN: 001676C)	10 September, 2022 (for a term of 5 years)

Further, as per listing regulations, one Independent Director on the Board of the listed entity needs to be appointed on the Board of an unlisted material subsidiary. In this regard, one Independent Director, namely Shri Anoop Mishra (DIN: 02849054) is on the Board of the Company and of said Subsidiary Company also.

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.

p) Consolidated Remuneration to Statutory Auditors

The Statutory Auditors ('SA') had not been engaged by any of the Subsidiaries of the Company for any other services during the year under review and therefore, no remuneration for this purpose was paid to them by aforesaid entities. The details of remuneration paid to SA for the period under review has been detailed in Notes to Accounts for the year under review under the head 'Auditors Remuneration'.

q) Disclosure of Loans and Advances

The Company has not provided any loans and advances in the nature of loans to firms/companies in which any director is interested.

11. Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has framed a policy on prevention of sexual harassment of women at workplace and constituted Internal Complaints Committee. Status of complaints during financial year 2023-24 is as under:

Pending at the beginning of the financial year	Nil
Received during the financial year	Nil
Disposed of during the financial year	Nil
Pending as at March 31, 2024	Nil

12. In accordance with the provisions of Section 124(6) of the Act read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), as amended from time to time, dividends that remain unpaid or unclaimed for a period of seven years are to be transferred to the Investor Education and Protection Fund (IEPF), established by the Central Government, from the unpaid or unclaimed dividend account of the Company.

The aforesaid provisions also mandate companies to transfer shares of those Members whose dividends remain unpaid or unclaimed for a period of seven consecutive years, to the demat account of IEPF.

During the FY 2023-24, no amount was due to be transferred to the IEPF, in accordance with the applicable provisions of the Act and IEPF Rules.

However, during the Financial year 2024-2025 the following are required to be transferred to IEPF:

S. No.	Particulars of Transfer to IEPF	Due Date of Transfer to IEPF	Last date of claim for dividend to be filed to the Company
1.	Unclaimed Dividend for the Financial Year 2016-17 (Final Dividend)	October 31, 2024	On or before September 30, 2024
2.	Equity Shares on which dividend(s) remained unclaimed for seven continuous years.	October 31, 2024	N.A.

Concerned members are requested to immediately claim their unpaid dividend(s), if any and avoid the transfer of their shares to IEPF by sending a request to the Company at vls@vlsfinance.com forthwith. Members are also requested to update your KYC details as per SEBI directive with the Company where shares are held in physical form. The dividend will be released to members whose KYC details have been updated and through electronic mode only. The prescribed formats for updating KYC for shares held in physical form are available on website of the Company viz. <https://www.vlsfinance.com/kyc/>. The members holding shares in electronic mode are requested to contact their depository participant for updating KYC details.

In case the relevant dividend is not claimed, then, wherever applicable, the Company with a view to comply with the requirements of the said rules, shall be constrained to transfer the shares standing in such members' name to IEPF as well, as per procedure stipulated in the Rules alongwith the dividend, without any further notice. Please note that no claim shall lie against the Company in respect of unclaimed dividend amount and shares transferred to IEPF Authority pursuant to the said rules.

A detailed list of unclaimed dividends lying with the Company as on 31st March, 2024 has been uploaded on the Company's website at www.vlsfinance.com and on the IEPF website at www.iepf.gov.in.

As per the IEPF Rules, Companies are required to inform regarding the transfer of shares to those Members whose shares are due for transfer to IEPF, three months prior to such transfer, at their latest available address. In view of the foregoing, the Company had sent an intimation to all those shareholders whose shares are due to be transferred to IEPF on 30/03/2024.

Dispute Resolution Mechanism at Stock Exchanges

(SMART ODR):

As per SEBI Circulars issued from time to time, in case of any grievances, the Shareholders are advised to first approach the Company or its RTA. If the response is not received/not satisfactory, Shareholders can raise a complaint on SCORES /with Stock Exchanges, as detailed in the Escalation Matrix for Investor grievance available on the website of the Company.

After exhausting all the above available options for resolution of the grievance, if the Shareholder is still not satisfied with the outcome, they can initiate dispute resolution through the ODR Portal at <https://smartodr.in/> login. As mentioned above, for effective use of the ODR process, shareholders are requested to initiate the Smart ODR process as the last resort after exhausting all available options for grievance redressal. The ODR serves as a platform for resolution of long pending disputes, which are otherwise difficult to be taken to a logical end. There were no complaints filed under SEBI ODR mechanism during the year under review.

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 Limited

I have examined the compliance of applicable conditions of Corporate Governance by VLS Finance Limited ("the Company"), for the year ended on March 31, 2024, 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 and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the period from April 01, 2023 to March 31, 2024.

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 Regulations 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, 2024.

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
P.R. Certificate No. 1097 / 2021
UDIN: A009972F000383433

Place: New Delhi
Date: May 16, 2024

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 Registers, Records, Forms, Returns and disclosures received from the Directors of VLS Finance Limited (CIN:L65910DL1986PLC023129) and having Registered Office at Ground Floor, 90, Okhla Industrial Estate, Phase -III, New Delhi 110020 (hereinafter referred to as 'the Company'), produced before me by the Company 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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Director of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mahesh Prasad Mehrotra	00016768	12.09.2015
2	Suresh Kumar Agarwal	00106763	27.07.2003
3	Kishan Kumar Soni	00106037	14.11.2013
4	Dinesh Kumar Mehrotra	00142711	29.06.2021
5	Shivesh Ram Mehrotra	10259068	13.02.2024
6	Keshav Tandan	10450801	29.03.2024
7	Neeraj Vinay Bansal	10499620	29.03.2024
8	Gaurav Goel	00076111	13.02.2024
9	Najeeb Hamid Jung	02941412	13.02.2024
10	Adesh Kumar Jain	00512969	10.08.2023
11	Anoop Mishra	02849054	10.08.2023

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of 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
P.R. Certificate No. 1097 / 2021
UDIN: A009972F000384841

Place: New Delhi
Date: May 16, 2024

ANNUAL REPORT ON CSR ACTIVITIES

- Brief outline on CSR Policy of the Company: The CSR policy of the Company has been formulated and adopted in accordance with Section 135 and Schedule VII of the Companies Act, 2013 and rules made thereunder. The Company may undertake any CSR project in accordance with the CSR policy of the Company subject to requisite approvals. The majority of CSR projects undertaken by Company in the past were for promoting education and healthcare.
- Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of CSR Committee eligible to attend during the year	Number of meetings of CSR Committee attended during the year
1	Shri Anoop Mishra#	Member/ Independent Director	3	3	3
2	Shri Adesh Kumar Jain#	Member/ Independent Director	3	3	3
3	Shri Najeeb Hamid Jung##	Member/ Independent Director	3	0	0
4	Shri Gaurav Goel@	Member/ Non- Executive, Non- Independent Director	3	0	0
5	Shri S. K. Agarwal	Member/ Managing Director	3	3	3
6	Shri Ajit Kumar*	Chairman/Independent Director	3	1	0
7	Shri M. P. Mehrotra**	Member/ Executive Vice-Chairman	3	3	3
8	Shri Vikas Mehrotra***	Member/ Managing Director – International Operations	3	0	0

Nominated by the Board w.e.f. 10/08/2023 ## Nominated by the Board w.e.f. 29/03/2024

@ Nominated by the Board w.e.f. 30/04/2024

* Ceased to be constituent of Committee due to demise on 26/08/2023

** Ceased to be constituent of Committee due to demise on 05/04/2024

*** Ceased to be constituent of Committee due to demise on 13/07/2023

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company. www.vlsfinance.com
- Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not applicable
- Average net profit of the Company as per section 135 (5). Rs.1,66,74,68,930/-
 - Two percent of average net profit of the Company as per section 135(5). Rs.3,33,49,379/-
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil
 - Amount required to be set off for the financial year if any Nil
 - Total CSR obligation for the financial year (b+c-e) Rs.3,33,49,379/-
- Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). Rs.1,88,85,380/-
 - Amount spent in Administrative Overheads. Nil
 - Amount spent on Impact Assessment, if applicable. Nil
 - Total amount spent for the Financial Year [(a)+(b)+(c)] Rs.1,88,85,380/-
 - CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount (in Rs.)	Date of transfer	Name of the Fund	Amount	Date of transfer
1,88,85,380/-	1,44,63,999/-	30/04/2024	Nil	Nil	Nil

(f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (Rs.)
(i)	Two percent of average net profit of the company as per section 135(5) (Net)	Rs. 3,33,49,379/-
(ii)	Total amount spent for the Financial Year (including actual spending of Rs.1,88,85,380/- and amount transferred to unspent CSR account i.e. Rs.1,44,63,999/-*)	Rs. 3,33,49,379/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

*Included notionally to correctly compute figure at clause (iii) above.

7. Details of Unspent CSR amount for the preceding three financial years:

(1) Sl. No.	(2) Preceding Financial Year.	(3) Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	(4) Balance Amount in Unspent CSR Account under section 135(6)* (in Rs.)	(5) Amount spent in the Financial Year(in Rs.)	(6) Amount transferred to a fund as specified under Schedule VII as per second proviso to section 135(5), if any.		(7) Amount remaining to be spent in succeeding financial years. (in Rs.)	(8) Deficiency, if any
					Amount (in Rs.)	Date of transfer.		
1	2022-2023	1,79,51,730/-	77,48,000/-	1,02,03,730/-	Nil	----	77,48,000/-	----

* as on 31/03/2024.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes
If Yes, enter the number of Capital assets created/ acquired: One

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent - (in Rs.)	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
1.	Construction work of science lab in Smt. Kasturi Devi Parashar Inter College located in village Salai, District Kasganj (U.P.).	207123	Under-Construction	10,00,000/-	CSR00040065	Sri Sankat Mochan Dham Trust	52/40, New Dal Mandi, Kanpur, Uttar Pradesh-208001

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): Not applicable.

S. K. Agarwal
Managing Director

Anoop Mishra
Member-CSR Committee

Annexure -III

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	*
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	

* Please refer note no. 33 of Annual Report for the year 2023-24 for disclosures under 'Related Party'.

Form MR – 3
SECRETARIAL AUDIT REPORT
For the Financial Year ended March 31, 2024

ANNEXURE –IV

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members
VLS Finance Limited
Ground Floor, 90, Okhla Industrial Estate
Phase -III, New Delhi-110020

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'). The Secretarial Audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by it and also the 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 **March 31, 2024** complied with the statutory provisions listed hereunder and also that the Company has 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, minutes books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2024 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;
- (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 Financial Year under review).
 - (d) The Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations) 2021; (Not applicable during the Financial Year under review).
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable during the Financial 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 Financial Year under review).
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
(Not applicable to the Company during the Financial Year under review.)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - (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) The 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, other applicable Tax Laws, Prevention of Money Laundering Act, 2002 and Rules made thereunder, Labour Laws, Local Revenue 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, 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 generally in time. *However, additional filing fee was paid in respect of 7 (Seven) Forms for exceeding stipulated period of filing. A total penalty of Rs. 1,29,800/- has been imposed on the Listed Entity for delayed submission of Disclosure of Related Party Transaction for the financial year ended 31st March, 2023 under Regulations 23(9) of SEBI (LODR) Regulations, 2015 by BSE and NSE.* Further, no action was initiated against the 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 during the period under the review.

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 were given to all the Directors of the Company 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, the fact of calling Meeting at short Notice and consent of Directors for the same was duly recorded in the Minutes. A system exists for seeking and obtaining further information and clarifications on the Agenda Items before the Meeting for meaningful participation of the Directors at the Meetings. All decisions were passed unanimously and were properly recorded as part of the minutes.

I further report that the Company is a listed Company having Trading Membership of BSE Limited.

I further report that the Company 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 in accordance with the applicable regulations and CSR policy of the Company.

I further report that pursuant to the approval of the Board in its Meeting held on 05.01.2023 in compliance with provisions of Section 68(2) (b) proviso (i) and (ii) of the Companies Act, 2013 and the Public Announcement dated 07.01.2023, the Company has Bought Back and Extinguished in total 38,66,025 Equity Shares till 29.05.2023, being the closure date for Buy Back.

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 which 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 actions having major bearing on affairs of the Company pursuant to above referred Laws, Rules, Regulations, Guidelines and Standards *except that the Company received a notice of demand, under Section 156 of The Income Tax Act, 1961, of Rs. 25.97 Crore for Assessment Year 2022-23* issued by the Assistant Commissioner of Income Tax, Central Circle-17, Delhi. Against the notice of demand, the Company had filed an appeal before Commissioner (Appeals), Delhi on 20.04.2024.

Ashutosh Aggarwal
A Aggarwal and Associates
Company Secretaries
ACS 9972 CP No. 7467
P.R. CERTIFICATE NO. 1097/2021
UDIN: A009972F000392684

Place: New Delhi
Date: 17.05.2024

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.

Annexure 1

To
The Members
VLS Finance Limited
Ground Floor, 90, Okhla Industrial Estate,
Phase -III, New Delhi-110020

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 the 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.

Ashutosh Aggarwal
A Aggarwal and Associates
Company Secretaries
ACS 9972 CP No. 7467
P.R. CERTIFICATE NO. 1097/2021
UDIN: A009972F000392684

Place: New Delhi
Date: 17.05.2024

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, 2024.

CONSERVATION OF ENERGY

- | | |
|---------------------------------------------------------------------------------------------------------------------|-------|
| a) Energy conservation measure taken | : Nil |
| b) Proposals under implementation for reduction in consumption of energy or utilizing alternative sources of energy | : Nil |
| c) Capital investment on energy conservation equipments | : 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: 28/05/2024

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

Annexure VI 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 2023-2024:

Sl. No	Name of the Directors	Designation	% increase of remuneration in 2024 as compared to 2023	Ratio to the median remuneration
1	Shri Anoop Mishra (appointed as Director w.e.f. 10/08/2023 and Chairman on 25/09/2023)	Chairman, Non-Executive Independent Director	Not Comparable	0.83:1
2	Shri D. K. Mehrotra	Non-Executive Independent Director	-7.32%	0.87:1
3	Shri Adesh Kumar Jain (appointed w.e.f. 10/08/2023)	Non-Executive Independent Director	Not Comparable	0.78:1
4	Shri Najeeb Hamid Jung (appointed w.e.f. 13/02/2024)	Non-Executive Independent Director	Not Comparable	0.18:1
5	Mrs. Neeraj Vinay Bansal (appointed w.e.f. 29/03/2024)	Non-Executive Independent Director	Not Comparable	0.09:1
6	Shri Gaurav Goel (appointed w.e.f. 13/02/2024)	Non-Executive Non Independent Director	Not Comparable	0.09:1
7	Shri Shivesh Ram Mehrotra (appointed w.e.f. 13/02/2024)	Non-Executive Non Independent Director	Not Comparable	0:1
8	Shri S. K. Agarwal	Managing Director	15.75%	7.7:1
9	Shri K. K. Soni	Director- Finance & CFO	15.58%	7.37:1
10	Shri Keshav Tandan (appointed w.e.f. 29/03/2024)	Executive Director	Not Comparable	8.89:1
11	Dr. (Mrs.) Neeraj Arora (Resigned w.e.f. 10/05/2023)	Non-Executive Non Independent Director	Not Comparable	0:1
12	Shri D. K. Chatterjee (Resigned w.e.f. 04/05/2023)	Non-Executive Independent Director	Not Comparable	0:1
13	Shri Ajit Kumar (Chairman, ceased w.e.f. 26/08/2023)	Non-Executive Independent Director	Not Comparable	0.19:1
14	Shri M. P. Mehrotra (ceased w.e.f. 05/04/2024)	Executive Vice Chairman	-12.14%	14.36:1
15	Shri Vikas Mehrotra (ceased w.e.f. 13/07/2023)	Managing Director- International operations	Not Comparable	3.5:1
16	Ms. Divya Mehrotra (ceased w.e.f. 04/01/2024)	Non-Executive Non Independent Director	Not Comparable	0.46:1

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. 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 2023-24:

Sl. No	Name of the Company Secretary	Designation	% increase of remuneration in 2024 as compared to 2023
1	Shri H. Consul	Company Secretary	12.92%

3. The percentage increase in the median remuneration of employees in the financial year 2023-2024.

There was percentage decrease in the median remuneration of employees in the financial year of around 8.29 %

4. The number of permanent employees on the rolls of company as on 31st March 2024: 35
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 2023-24 was 15.36%.

The average increase in remuneration of Key Managerial Personnel in 2023-24 was lower than the average increase in salary of employees other than Managerial Personnel.

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 terms of remuneration drawn in the financial year 2023-24:

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: 28/05/2024

S.K. Agarwal K.K. Soni
Managing Director Director-Finance & CFO
DIN: 00106763 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, 2024, 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, 2024, and its 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 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.

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.

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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in 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, the 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 of March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as of March 31, 2024 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 and explained to us the pending litigations have no adverse effect on its financial position in its standalone financial statements as of March 31, 2024.
 - ii. The Company has made provision as of March 31, 2024, 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 March 31, 2024.
 - iv.
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been, received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. As stated in note 20, foot note (6) of the accompanying standalone financial statements, the final dividend paid by the Company during the year ended March 31, 2024, in respect of dividend declared for the previous year ended March 31, 2023 is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

Further as stated in note 53 (i) of the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended March 31, 2024, which is subject to the approval of the members at the ensuing Annual General Meeting. The final dividend declared by the Company for the year ended March 31, 2024, is in accordance with section 123 of the Companies Act 2013 to the extent it applies to declaration of dividend.
 - vi. Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of account for the financial year ended March 31, 2024

which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

(Rs in Lakhs)

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024 and will be applicable from second year onwards.

For Agiwal & Associates
Chartered Accountants
(FRN: 000181N)

CA P. C. Agiwal
Partner
M. No. 080475
Place: New Delhi
Date: May 28, 2024
UDIN: 24080475BKFKZS2927

Particulars	Loans (To Employees)	Advances in nature of loans (To Related Party- Subsidiary)	Total
Aggregate amount granted/ provided during the year	5.88	0.04	5.92
Percentage of loans/ advances in the nature of loans to total loans (in %)	99.32	0.68	100.00
Balance outstanding as at balance sheet date in respect of above cases	4.21	0.04	4.25

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2024, we report that:

- i. a) A. The Company has maintained proper records showing full particulars including quantitative details and the situation of fixed assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- b) The Property, plant and equipment, and intangible 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 a 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 in 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.
- d) The Company has not revalued its property, plant and equipment, (including Right of Use assets) or intangible assets or both during the year.
- e) No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. a) The company generally deals in shares, securities, and Units of Mutual funds. Primarily these are held in electronic form, so the inventory 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.
- b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks/financial institutions on the basis of security of company's own fixed deposits. The company is not required to file the Quarterly return/ statements of current assets with banks and financial institutions. This matter has been disclosed in note 55 (iv) of the Standalone Financial Statements.
- iii. a) According to the information and explanations given to us, the Company has during the year granted loans to its Subsidiary company and to its employees, and the details are as follows:
 - b) In respect of the aforesaid loans and advances, in our opinion the terms and conditions under which the loan to its employees and advances in the nature of loan granted to its subsidiary are prima facie, not prejudicial to the Company's interest.
In our opinion, the investments made during the year are prima facie, not prejudicial to the interest of the Company.
 - c) According to the information and explanations given to us, advances given in the nature of loan to its subsidiary, the schedule of payment of interest & schedule of repayment of principal amount of such loans are not stipulated. In respect of loans given by the Company to its employees, the Company has stipulated the schedule of repayment of principal and payment of interest wherever applicable. Repayment of such loans is regular.
 - d) According to the information and explanations given to us in respect of loans granted to employees during the year, there is no overdue amount for more than ninety days as at the Balance Sheet date.
 - e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no loan which has fallen due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties.
 - f) In our opinion and according to the information and explanations given to us there are no loans/advances granted during the year in the nature of loans to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013 which are repayable on demand or without specifying any terms or period of repayment other than company's subsidiary.
- iv. According to the information, explanations and representations provided by the company and based upon audit procedures performed, we are of the opinion that in respect of loans and investments given/made by the Company, 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. Paragraph 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. In respect of Statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues, including goods and service tax, provident fund, employees' state insurance, income tax, cess and other material statutory dues applicable to it to the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, service tax, duty of customs, duty of excise and value added tax.

- b) There are no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income tax, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.
- c) The details of statutory dues referred to in sub- clause (a) above which have not been deposited as on March 31, 2024, on account of disputes are given below (Please refer note 37 to the standalone financial statements):

Name of Statute the	Nature of Dues	Amount involved (Rs In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Act, 1961 Tax	Income Tax	2597.07	F.Y 2021-22	Commissioner of Income Tax (Appeals)

viii. In our opinion and as per the documents presented by the management there are no transactions recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- ix. a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority. This matter has been disclosed in note 55 (ix) of the Standalone Financial Statements.
- c) In our opinion and according to the information and explanation given to us, no money was raised by way of term loans. Accordingly, the provision stated in paragraph 3(ix)(c) of the Order is not applicable to the Company.
- d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) According to the information and explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. a) 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.
- b) 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 March 31, 2024, hence clause (x)(b) is not applicable.
- xi. a) 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.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) No whistle blower complaints have been received by us during the year.

- xii. In our opinion and according to the information and 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. a) As per the information and records made available by the management of the Company, the company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditors for the period under audit were considered by us and there were no material discrepancies noticed on verification of the reports shared by the management of the Company.
- 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 noncash transactions with the directors or person connected with him.
- xvi. a) The Company is not required to be registered under 45-IA of the Reserve Bank of India Act, 1934.
- b) The company has not conducted any Non-Banking Financial or Housing Finance activities.
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. (d) The Group does not have any CIC as part of the Group.
- xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year.
- xix. In our opinion and as per the information, documents and records presented by the management of the Company, no material uncertainty exists as on the date of the report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. a) As per the information given and records presented by the management of the Company, there is no unspent amount in respect of other than ongoing projects on Corporate Social Responsibility ('CSR') liable to be transferred to the fund specified in schedule VII in compliance with second proviso to sub section (5) of section 135 of the said Act. Accordingly, reporting under paragraph 3(xx)(a) of the Order is not applicable for the year. This matter has been disclosed in note 32 of the Standalone Financial Statements.
- b) As per the information given and records presented by the management of the Company all the amounts that are unspent under Sub Section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special bank account in compliance with provisions of sub section (6) of Section 135 of the said Act. This matter has been disclosed in note 32 of the Standalone Financial Statements.
- xxi. The reporting under clause 3(xxi) of the order is not applicable in respect of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Agiwal & Associates

Chartered Accountants
(FRN: 000181N)

CA P. C. Agiwal

Partner
M. No. 080475
Place: New Delhi
Date: May 28, 2024
UDIN: 24080475BKFKZS2927

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 March 31, 2024, 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 March 31, 2024, 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
(FRN: 000181N)

CA P. C. Agiwal

Partner
M. No. 080475
Place: New Delhi
Date: May 28, 2024
UDIN: 24080475BKFZS2927

Standalone Balance Sheet As at 31st-March-2024

(Rupees in Lakhs)

Particulars	Note No.	As at 31st-March-2024	As at 31st-March-2023
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	4	2,282.60	4,002.58
(b) Bank Balance other than (a) above	5	1,373.69	1,518.75
(c) Receivables	6		
(I) Trade Receivables		1,732.20	1,834.47
(II) Other Receivables		224.69	349.58
(d) Loans	7	812.85	812.61
(e) Investments	10	1,87,661.10	1,41,998.90
(f) Other Financial assets	8	16,476.11	10,791.20
Total (1)		2,10,563.24	1,61,308.09
2 Non-financial Assets			
(a) Current tax assets (Net)	9	1,291.22	1,379.81
(b) Investment Property		6,371.10	6,651.46
(c) Property, Plant and Equipment	11a	6,665.53	2,528.15
(d) Capital work-in-progress		-	-
(e) Other Intangible assets	11b	0.13	0.18
(f) Other non-financial assets	12	1,089.03	514.48
Total (2)		15,417.01	11,074.08
Total Assets (1+2)		2,25,980.25	1,72,382.17
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		12.08	2.63
(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		15.37	19.15
(b) Borrowings (Other than Debt Securities)	14	17.85	68.75
(c) Other financial liabilities	15	362.94	332.49
Total (1)		408.24	423.02
2 Non-financial Liabilities			
(a) Provisions	16	348.34	291.37
(b) Deferred tax liabilities (Net)	18	24,233.58	22,208.54
(c) Other non-financial liabilities	17	87.22	126.46
Total (2)		24,669.14	22,626.37
3 EQUITY			
(a) Equity Share capital	19	3,491.82	3,535.00
(b) Other Equity	20	1,97,411.05	1,45,797.78
Total (3)		2,00,902.87	1,49,332.78
Total Liabilities and Equity (1+2+3)		2,25,980.25	1,72,382.17

Accompanying Notes are an integral 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 Agiwal & Associates
 Chartered Accountants
 (Firm's Registration Number: 000181N)

 S.K.Agarwal
 Managing Director
 DIN: 00106763

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

 CA P. C. Agiwal
 Partner
 Membership No.080475
 New Delhi
 Date: 28th May 2024
 UDIN: 24080475BKFKZS2927

 Keshav Tandan
 Executive Director
 DIN: 10450801

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

Standalone Statement of Profit and Loss for the Year ended 31.03.2024
(Rupees in Lakhs)

	Particulars	Note No	Year ended 31-March-2024	Year Ended 31-Mar-2023
I	Revenue From Operations			
	(i) Interest Income	21	1,401.31	1,084.12
	(ii) Dividend Income	22	1,200.05	1,000.86
	(iii) Net gain on fair value changes	23	37,370.42	5,421.86
	(iv) Other Operating Income	24	17.65	64.50
	Total Income from operations (Total I)		39,989.43	7,571.34
II	Other Income	25	1,019.72	153.77
	Total Other Income (Total II)		1,019.72	153.77
III	Total Income (I+II)		41,009.15	7,725.11
IV	EXPENSES			
	(i) Employee benefits expense	26	615.85	537.79
	(ii) Finance costs	27	20.56	7.20
	(iii) Impairment on financial instruments	28	8.15	-
	(iv) Depreciation and amortization expense	29	570.05	425.82
	(v) Other expenses	30	1,680.14	1,396.15
	Total expenses (IV)		2,894.75	2,366.96
V	Profit/(loss) before exceptional items and tax (III- IV)		38,114.40	5,358.15
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		38,114.40	5,358.15
VIII	Tax (expense)/credit (net):	43		
	(1) Current tax		(11,062.78)	(507.91)
	(2) Deferred tax		4,970.37	393.76
	Total Tax expenses (VIII)		(6,092.41)	(114.15)
IX	Profit / (Loss) for the period (VII+VIII)		32,021.99	5,244.00
X	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		11.17	(23.14)
	Gain / (Loss) arising on fair valuation of Investment		27,992.76	(26,847.81)
	(ii) Income tax (expense)/credit relating to items that will not be reclassified to profit or loss		(7,048.03)	6,762.88
	Total (A)		20,955.90	(20,108.07)
	B (i) Items that will be reclassified to profit or loss			
	Gain / (Loss) arising on fair value of bonds/debentures		(209.07)	-
	(ii) Income tax (expense)/credit relating to items that will be reclassified to profit or loss		52.62	-
	Total (B)		(156.45)	-
	Total Other Comprehensive Income (A+B)		20,799.45	(20,108.07)
XI	Total Comprehensive Income for the period (IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		52,821.44	(14,864.07)
XII	Earnings per equity share (Face value per share Rs.10/-)	31		
	(1) Basic (in Rupees)		91.89	13.57
	(2) Diluted (in Rupees)		91.89	13.57

Accompanying Notes are an integral part of the Financial Statements.

1-57

As per our report of even date attached

For Agiwal & Associates

Chartered Accountants

(Firm's Registration Number: 000181N)

For and on behalf of the Board

S.K.Agarwal

Managing Director

DIN: 00106763

K.K.Soni

Director-Finance & CFO

DIN:00106037

CA P. C. Agiwal

Partner

Membership No.080475

New Delhi

Date: 28th May 2024

UDIN: 24080475BKFKZS2927

Keshav Tandan

Executive Director

DIN: 10450801

H.Consul

Company Secretary

M.No: A-11183

Standalone Statement of Changes in Equity for the year ended 31st March 2024

A. Equity Share Capital		(Rupees in Lakhs)	
Particulars	Equity share capital		
	Number of shares (See Note below)	Amount (See Note below)	
As at 31 March 2022	3,86,62,017	3,878.42	
Changes in Equity Share Capital due to prior period errors	-	-	
Restated balance at the beginning of the reporting period	3,86,62,017	3,878.42	
Shares Extinguished on Buyback of Equity Shares ⁴	(34,34,235)	(343.42)	
As at 31 March 2023	3,52,27,782	3,535.00	
Changes in Equity Share Capital due to prior period errors	-	-	
Restated balance at the beginning of the reporting period	3,52,27,782	3,535.00	
Shares Extinguished on Buyback of Equity Shares ⁴	(4,31,790)	(43.18)	
As at 31st-March-2024	3,47,95,992	3,491.82	

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

(b) Other equity ²		(Rupees in Lakhs)					
PARTICULARS	Reserves and surplus				Other Comprehensive Income		
	General Reserve	Securities Premium ⁽¹⁾	Capital Redemption Reserve ^(3,4)	Retained Earning	FVTOCI reserve	Re-measurement of Defined Benefits	Total
As at 31st Mar 2022	2,968.84	9,627.48	113.30	92,338.80	62,048.73	0.38	1,67,097.53
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	2,968.84	9,627.48	113.30	92,338.80	62,048.73	0.38	1,67,097.53
Profit for the period	-	-	-	5,244.00	-	-	5,244.00
Other Comprehensive Income	-	-	-	-	(20,090.76)	(17.31)	(20,108.07)
Total Comprehensive Income for the period	-	-	-	5,244.00	(20,090.76)	(17.31)	(14,864.07)
Transfer from FVTOCI to Retained Earnings	-	-	-	998.71	(998.71)	-	-
Buyback of Equity Shares ⁴	-	(5,855.76)	343.42	(343.42)	-	-	(5,855.76)
Cash Dividend ⁵	-	-	-	(579.93)	-	-	(579.93)
As at 31st-March-2023	2,968.84	3,771.72	456.72	97,658.16	40,959.27	(16.93)	1,45,797.78

(b) Other equity ²		(Rupees in Lakhs)					
PARTICULARS	Reserves and surplus				Other Comprehensive Income		
	General Reserve	Securities Premium ⁽¹⁾	Capital Redemption Reserve ^(3,4)	Retained Earning	FVTOCI reserve	Re-measurement of Defined Benefits	Total
As at 31st-March-2023	2,968.84	3,771.72	456.72	97,658.16	40,959.27	(16.93)	1,45,797.78
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	2,968.84	3,771.72	456.72	97,658.15	40,959.27	(16.94)	1,45,797.77
Profit for the period	-	-	-	32,021.99	-	-	32,021.99
Other Comprehensive Income	-	-	-	-	20,791.08	8.36	20,799.44
Total Comprehensive Income for the period	-	-	-	32,021.99	20,791.08	8.36	52,821.44
Transfer from FVTOCI to Retained Earnings	-	-	-	16,579.40	(16,579.40)	-	-
Buyback of Equity Shares ⁴	-	(686.22)	43.18	(43.18)	-	-	(686.22)
Cash Dividend ⁶	-	-	-	(521.94)	-	-	(521.94)
As at 31st-March-2024	2,968.84	3,085.50	499.90	1,45,694.43	45,170.95	(8.57)	1,97,411.05

Notes:

- Of the above amount of ₹ 9627.48 lakh, an amount of ₹ 474.34 lakh is relating to share premium received on forfeited shares.
- There is no changes in accounting policy and there is no prior period errors.
- Transfer from the Retained Earning to the Capital Redemption Reserve towards nominal value of 11,32,983 fully paid up Equity Shares of ₹ 10/-each bought back for the first time on 11/02/2014 for cash.
- The Board of Directors of the Company in its meeting held on 05-Jan-2023 has approved buy-back of its own shares by the Company from open market through Stock Exchange route in terms of proviso to clause (b) of sub section 2 of section 68 of the Companies Act, 2013 and other applicable regulations. The buyback so approved had opened from 16/01/2023 and closed on 29/05/2023. During this period 38,66,025 equity shares of Rs 10/- each have been bought back by the company at an average rate of ₹ 179.22 per share. A total sum of ₹ 6,928.59 lakhs (excluding transaction costs) was utilised for the said buyback. Post buyback the paid up share capital of the Company is ₹ 3491.82 Lakhs (including ₹ 12.22 Lakhs being the amount forfeited on 4,67,500 equity shares) comprising 3,47,95,992 equity shares of ₹ 10/- each. Requisite compliances under applicable regulations have been made in respect of aforesaid buyback including for extinguishment of said shares so bought back. Accordingly, EPS has been calculated on weighted average number of shares as on 31-March-2024 in accordance with IND-AS 33. Out of total consideration of ₹ 6,928.59 lakhs, ₹ 6,199.18, lakhs paid towards buy-back of equity shares till 31st Mar 2023 is adjusted against share capital to the extent of ₹ 343.42 lakhs and against the share premium to the extent of ₹ 5,855.76 lakhs and ₹ 729.40, lakhs paid towards buy-back of equity shares till 31st Mar 2024 is adjusted against share capital to the extent of ₹ 43.18 lakhs and against the share premium to the extent of ₹ 686.22 lakhs. Further consequent to the aforesaid buyback of 4,31,790 fully paid up Equity Shares of ₹ 10/- each during the year ended of 31-Mar-2024 (34,34,235 fully paid up Equity Shares of ₹ 10/- each during the year ended 31-Mar-2023) for cash, the nominal amount of shares capital bought-back of ₹ 43.18 lakhs (Previous Year 343.42 lakhs) has been transferred to the Capital Redemption Reserve out of the Retained Earning.
- Dividend amounting to ₹ 579.93 lakhs @ ₹ 1.50 per equity share proposed for the year ended March 31,2022 was paid on the outstanding number of shares during the year ended March 31, 2023.
- Dividend amounting to ₹ 521.94 lakhs @ ₹ 1.50 per equity share proposed for the year ended March 31,2023 was paid on the outstanding number of shares as on the book closure date i.e. 23/09/2023, during the year ended March 31, 2024.

Accompanying Notes are an integral part of the Financial Statements.

As per our report of even date attached
For Agiwal & Associates
Chartered Accountants
(Firm's Registration Number: 000181N)

For and on behalf of the Board

CA P. C. Agiwal
Partner
Membership No.080475
New Delhi
Date: 28th May 2024
UDIN: 24080475BKFKZS2927

S.K.Agarwal
Managing Director
DIN: 00106763

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

Keshav Tandan
Executive Director
DIN: 10450801

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

Cash Flow Statement For the Year ended 31st-March-2024 (Audited)

(Rupees in Lakhs)

Particulars	Standalone	
	For the Year ended 31st-March-2024 (Audited)	For the year ended 31st March 2023 (Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	38,114.40	5,358.15
Adjustment for:		
Depreciation	570.05	425.82
Interest Income	(62.57)	(38.50)
Loss/(Profit) on sale of Property, plant and equipment	(333.24)	3.54
Share of profit of Associates	-	-
Dividend Income	(1,200.05)	(1,000.86)
Actuarial gain / (loss) on Defined Employee Benefits	11.17	(23.14)
Provision for unspent expenditure on Corporate Social Responsibility	42.47	179.65
Provision for Employee Benefits	14.50	34.83
	(957.67)	(418.66)
Operating profit	37,156.73	4,939.48
Adjustment for working capital changes		
1) Increase / (decrease) in borrowings	(50.90)	(22.58)
2) Increase / (decrease) in other financial liabilities	30.44	(10.13)
3) Increase / (decrease) in trade payables	9.45	2.49
4) Increase / (decrease) in Other payables	(3.77)	(24.60)
5) (Increase) / decrease in loans	(0.24)	(10.00)
6) Increase / (decrease) in other non- financial liabilities	(39.23)	69.18
7) (Increase) / decrease in other financial assets	(5,684.91)	385.05
8) (Increase) / decrease in other non financial asset	(574.55)	152.01
9) (Increase) / decrease in trade receivables	102.27	(1,714.53)
10) (Increase) / decrease in other receivables	124.89	(0.65)
11) (Increase) / decrease in Bank Balance other than cash and cash equivalents	145.05	(1,518.75)
Cash generated / (used) from operations	31,215.23	2,246.98
Direct taxes (net)	(10,974.19)	(1,112.36)
Net cash generated / (used) from operating activities (A)	20,241.04	1,134.62
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / decrease on investments (net)	(17,878.51)	7,950.82
Sale/(Purchase) of Property, plant and equipment (net)	(4,102.86)	(234.17)
Sale/(Purchase) of Investment Property	9.08	(6,580.52)
Capital work in progress	-	6.98
Interest received on fixed deposits	62.56	38.49
Security Deposit Received	-	111.62
Dividend Income	1,200.05	1,000.86
Net cash generated / (used) from investing activities (B)	(20,709.68)	2,294.08
C. CASH FLOW FROM FINANCING ACTIVITIES		
Buyback of Equity Shares	(729.40)	(6,199.18)
Dividend paid (including Dividend distribution tax)	(521.94)	(579.93)
Net cash generated / (used) from financing activities (C)	(1,251.34)	(6,779.11)
Net increase / (decrease) in cash and cash equivalents during the year (A +B +C)	(1,719.98)	(3,350.41)
Cash and cash equivalents as at beginning of the year :	4,002.58	7,352.99
Cash and cash equivalents as at end of the year :	2,282.60	4,002.58
Cash in hand	0.40	5.72
Scheduled bank - In current account	10.02	18.87
Fixed Deposit with Banks	-	-
In Liquid Funds	2,272.18	3,977.99
Total	2,282.60	4,002.58
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	10.42	24.59
Add:- Fixed deposit with banks	-	-
Add:- In Liquid Funds	2,272.18	3,977.99
Total cash and bank balances equivalents as at end of the year	2,282.60	4,002.58

Accompanying Notes are an integral part of the Financial Statements.

As per our report of even date attached
For Agiwal & Associates
Chartered Accountants
(Firm's Registration Number: 000181N)

CA P. C. Agiwal
Partner
Membership No.080475
New Delhi
Date: 28th May 2024
UDIN: 24080475BKFKZS2927

For and on behalf of the Board

S.K.Agarwal
Managing Director
DIN: 00106763

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

Keshav Tandan
Executive Director
DIN: 10450801

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

Notes forming part of Standalone Financial Statement for the year ended March 31, 2024
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.

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.

(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

Notes forming part of Standalone Financial Statement for the year ended March 31, 2024

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 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.

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 42.

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:

Notes forming part of Standalone Financial Statement for the year ended March 31, 2024

- 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 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

Notes forming part of Standalone Financial Statement for the year ended March 31, 2024

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) 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.

(iii) 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: 30 to 60 years

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

The Company, based on technical assessment made by technical expert and management estimate, depreciates the certain items of building, plant and equipment over estimated useful life which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful life are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

(iv) 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.

Notes forming part of Standalone Financial Statement for the year ended March 31, 2024

Intangible asset	Useful life / amortization period
Computer Software	5 Years

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.

The Company depreciates the building component of investment properties over 30 -60 years from the date of original construction/purchase.

Depreciation on investment property is calculated using the WDV method to write down the cost of property to their residual values over their estimated useful life in the manner prescribed in Schedule II of the Act.

The company, based on technical assessment made by technical expert and management estimate, depreciates the building over estimated useful life which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful life are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

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 shareholders 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 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.

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.

2.15 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

Notes to the Standalone Financial Statements for the year ended March 31, 2024

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.

2.16 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 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.

(iii) Other Long-term Benefits:
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 life and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful life 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 For the Year ended 31st-March-2024

		(Rupees in Lakhs)	
NOTE NO.	PARTICULARS	As at 31st-Mar-2024	As at 31st Mar 2023
4	Cash and cash equivalents		
	a) Cash on hand	0.40	5.72
	b) Balances with Banks		
	-In Current Accounts	10.02	18.87
	-In Deposits Accounts	-	-
	(Original Maturity of Less than or equal to 3 months)		
	c) Interest accrued on Fixed Deposits	-	-
	d) Liquid Funds	2,272.18	3,977.99
	Total	2,282.60	4,002.58
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) #	254.63	324.54
	b) Fixed deposits with bank (Maturity more than 12 months) #	832.93	502.77
	c) Bank balances in Unpaid dividend accounts	208.65	184.44
	d) Bank balances in Buyback Account	-	1.68
	e) Bank balances in Unspent CSR Account	77.48	-
	f) Fixed deposits with bank earmarked for Buyback of shares #	-	505.32
	Total	1,373.69	1,518.75

Note: * Pledged with banks as security for overdraft facility
Balance of fixed deposits also include interest accrued on fixed deposit

		(Rupees in Lakhs)	
NOTE NO.	PARTICULARS	As at 31st-Mar-2024	As at 31st Mar 2023
6	Receivables ⁽¹⁾		
	I) Trade Receivables		
	Unsecured, considered good		
	a) Receivable from share brokers	1,723.05	1,833.55
	b) Others	9.15	0.92
	Total ⁽¹⁾	1,732.20	1,834.47
	II) Other Receivables		
	Secured, considered good		
	Interest accrued	224.28	374.23
	Allowance for Expected credit losses on Interest accrued	-	(25.00)
	Unsecured, considered good		
	a) Interest accrued	0.41	0.35
	Total	224.69	349.58
	1) Pl. refer Note No 46: Ageing of Trade & Other Receivables		
7	Loans (Unsecured and considered good)		
	a) Loan to employees (including deferred cost) ⁽²⁾	12.85	12.61
	b) Others	800.00	800.00
	Total	812.85	812.61
	2) Pl. refer Note No 47		
8	Other Financial Assets (Unsecured, considered good)		
	a) Margin Money Deposits		
	- Share brokers	12,500.00	9,900.00
	- Others	200.00	50.00
	b) Security deposits	38.60	39.85
	c) Dividend Receivable	15.40	-
	d) Application money for investments	1,721.98	1.25
	e) Others	2,000.13	800.10
	Total	16,476.11	10,791.20
9	Current Tax Assets (Net)		
	Advance Tax and Tax Deducted at source	12,549.72	5,038.60
	Less: Tax Provisions	(11,258.50)	(3,658.79)
	Total	1,291.22	1,379.81

(Rupees in Lakhs)

Note 10: Investments

S No	Investments	As at 31st-March-2024				As at 31st-March-2023			
		Amortised cost	At Fair Value		Total	Amortised cost	At Fair Value		Total
			Through Other Comprehensive Income	Through profit or loss			Through Other Comprehensive Income	Through profit or loss	
		(1)	(2)	(3)	(4)=(1)+(2)+(3)	(5)	(6)	(7)	(8)=(5)+(6)+(7)
1	Mutual funds/PMS	-	7,299.24	2,437.44	9,736.68	-	4,939.31	-	4,939.31
2	Debt securities*	350.58	5,764.33	1,065.04	7,179.95	350.58	7,503.28	-	7,853.86
3	Equity instruments	-	1,36,309.56	31,284.74	1,67,594.30	-	1,26,055.56	-	1,26,055.56
4	Equity instruments in Subsidiaries (Refer Note 10.1)	3500.17	-	-	3,500.17	3500.17	-	-	3,500.17
5	Total - Gross (A)	3,850.75	1,49,373.13	34,787.22	1,88,011.10	3,850.75	1,38,498.15	-	1,42,348.90
6	(i) Investments in India	3,850.75	1,49,373.13	34,787.22	1,88,011.10	3,850.75	1,38,498.15	-	1,42,348.90
7	(ii) Investments outside India	-	-	-	-	-	-	-	-
8	Total (B)	3,850.75	1,49,373.13	34,787.22	1,88,011.10	3,850.75	1,38,498.15	-	1,42,348.90
9	Less: Aggregate amount of provision for impairment in the value of investments (Expected credit losses on Investment) (C)	(350.00)	-	-	(350.00)	(350.00)	-	-	(350.00)
10	Total - Net D= (A)-(C)	3,500.75	1,49,373.13	34,787.22	1,87,661.10	3,500.75	1,38,498.15	-	1,41,998.90

* Excludes interest accrued on tax-free bonds, if any

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Note 10.1: Investments in equity instruments of subsidiaries & Associate

S No	Particulars	As at 31st-Mar-2024				As at 31st Mar 2023			
		Proportion of ownership Interest/Voting Right	Face Value	Holding	Value	Proportion of ownership Interest/Voting Right	Face Value	Holding	Value
		%	(in Rs)	No. of shares	(Rs in Lakhs)	%	(in Rs)	No. of shares	(Rs in Lakhs)
	1	2	3	4	5	6	7	8	9
	Investments in Equity shares of subsidiaries: (Unquoted & Fully paid up) (Measured at amortized cost)								
1	VLS Securities Ltd.	100%	10	3,00,00,000	3,483.16	100%	10	3,00,00,000	3,483.16
2	VLS Real Estate Ltd.	100%	10	1,00,000	10.00	100%	10	1,00,000	10.00
3	VLS Asset Management Ltd.	99.15%	10	70,100	7.01	99.15%	10	70,100	7.01
	Total - (A)				3500.17				3500.17

Principal Place of all subsidiaries & Associate are in India

Notes to the Standalone Financial Statements For the Year ended 31st-March-2024

(Rupees in Lakhs)

Note No 11a : Property, Plant and Equipment

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

Balance as at 31.03.2022	1,046.64	931.65	6.89	151.31	90.30	238.07	84.88	102.55	193.87	18.43	12,066.67	243.74	61.53	15,236.53
Additions during the year	107.71	-	-	27.77	69.68	10.10	0.45	3.30	13.41	-	-	-	3.23	235.65
Sales/ Adjustments during the year	-	-	(6.89)	(26.51)	(13.59)	(9.05)	(15.16)	(25.59)	(2.45)	(4.31)	-	-	-	(103.55)
Balance as at 31.03.2023	1,154.35	931.65	-	152.57	146.39	239.12	70.17	80.26	204.83	14.12	12,066.67	243.74	64.76	15,368.63

Balance as at 31.03.2023	1,154.35	931.65	-	152.57	146.39	239.12	70.17	80.26	204.83	14.12	12,066.67	243.74	64.76	15,368.63
Additions during the year	436.96	3,887.07	-	49.50	1.66	-	0.98	3.38	-	104.45	-	-	-	4,484.00
Sales/ Adjustments during the year	(167.95)	-	-	-	-	-	-	(0.47)	-	(14.12)	-	-	-	(182.54)
Balance as at 31.03.2024	1,423.36	4,818.72	-	202.07	148.05	239.12	71.15	83.17	204.83	104.45	12,066.67	243.74	64.76	19,670.09

Accumulated Depreciation/Amortization

Balance as at 31.03.2022	151.75	-	6.89	104.30	32.72	29.04	22.02	43.85	23.41	5.85	12,065.67	24.88	3.31	12,513.69
Depreciation for the year	48.26	-	-	17.31	50.97	55.84	16.21	27.22	47.74	3.20	-	138.23	20.75	425.72
Sales/ Adjustments during the year	-	-	(6.89)	(25.59)	(12.92)	(8.56)	(14.19)	(24.36)	(2.33)	(4.09)	-	-	-	(98.92)
Balance as at 31.03.2023	200.01	-	-	96.02	70.77	76.32	24.03	46.70	68.83	4.95	12,065.67	163.11	24.07	12,840.48

Balance as at 31.03.2023	200.01	-	-	96.02	70.77	76.32	24.03	46.70	68.83	4.95	12,065.67	163.11	24.07	12,840.48
Depreciation for the year	55.73	-	-	21.72	34.65	42.23	12.16	16.15	35.30	7.57	-	51.06	22.17	298.72

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Sales/ Adjustments during the year	(127.74)	-	-	-	-	-	-	(0.41)	-	(6.50)	-	-	-	(134.64)
Balance as at 31.03.2024	128.00	-	-	117.74	105.41	118.55	36.19	62.44	104.13	6.02	12,065.67	214.17	46.23	13,004.56

Net Carrying Amount

Balance as at 31.03.2023	954.34	931.65	-	56.56	75.63	162.80	46.14	33.55	135.99	9.17	1.00	80.63	40.70	2,528.15
Balance as at 31.03.2024	1,295.35	4,818.72	-	84.33	42.65	120.57	34.96	20.73	100.69	98.43	1.00	29.56	18.53	6,665.53

Note No: 11b Other Intangible assets

Description	Computer Software														Total
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Gross Carrying Amount

Balance as at 31.03.2022	10.56														10.56
Additions during the year															
Sales/ Adjustments during the year	(8.52)														(8.52)
Balance as at 31.03.2023	2.04														2.04

Balance as at 31.03.2023	2.04														2.04
Additions during the year															
Sales/ Adjustments during the year															
Balance as at 31.03.2024	2.04														2.04

Accumulated Depreciation/Amortization

Balance as at 31.03.2022	9.88														9.88
Depreciation for the year	0.10														0.10
Sales/ Adjustments during the year	(8.13)														(8.13)
Balance as at 31.03.2023	1.86														1.86

Balance as at 31.03.2023	1.86														1.86
Depreciation for the year	0.05														0.05
Sales/ Adjustments during the year															
Balance as at 31.03.2024	1.91														1.91

Net Carrying Amount

Balance as at 31.03.2023	0.18														0.18
Balance as at 31.03.2024	0.13														0.13

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Note No.	Particulars	As at 31st-March-2024	As at 31st-March-2023	Note No.	Particulars	As at 31st-March-2024	As at 31st-March-2023
12	Other non-financial assets			14	Borrowings (Other than debt securities)		
	Unsecured and considered good				(A) Borrowings in India		
	Capital Advances	920.00	4.18		Secured Loans from Banks		
	Prepaid Expenses	8.48	16.29		Overdraft against Deposit with Banks	17.85	68.75
	Receivable from subsidiaries ⁽²⁾	107.96	108.95		<i>(Secured against Pledge of Fixed Deposit)</i>		
	Advances recoverable in cash or kind	8.20	386.10		Total	17.85	68.75
	Allowance for Expected credit losses	-	(25.00)	15	Other financial liabilities		
	Taxes due from Government	44.39	23.96		a) Unpaid dividends accounts	208.65	184.44
	Total	1,089.03	514.48		b) Creditors for capital goods	17.80	18.32
	<i>2) Pl. refer Note No 47</i>				c) Security deposit (against premises given on lease)	115.46	86.79
12.1	Reconciliation for provision of expected credit losses is as follows:				d) Lease liabilities ⁽⁴⁾	21.02	42.95
	Balance at the beginning	400.00	400.00		Total	362.94	332.49
	Allowances made during the year	-	-		<i>4) Pl. refer Note No 51: Disclosure under Ind As 116 Lease:</i>		
	Provision for expected credit losses adjusted with Bad Debt Written off	(50.00)	-	16	Provisions		
	Balance at the end	350.00	400.00		Provisions for employee benefits ⁽⁶⁾	126.21	111.72
13	Payables ⁽³⁾				Provision for unspent expenditure on Corporate Social Responsibility ⁽⁵⁾	222.12	179.65
	Trade Payables				Total	348.33	291.37
	a) Total outstanding dues of micro enterprises and small enterprises	-	-		<i>5) Pl. refer Note No: 32 on Corporate Social Responsibility</i>		
	Total	-	-		<i>6) Pl. refer Note No 40 on Employees Benefits</i>		
	b) Total outstanding dues of creditors other than micro enterprises and small enterprises			17	Other non-financial liabilities		
	-Payable to share brokers	11.15	-		Statutory dues payable	63.05	100.71
	- other payables	0.93	2.63		Advance interest received on T Bills	3.87	0.92
	Total	12.08	2.63		Advance interest received on Security deposit (against premises given on lease)	20.30	24.83
	Other Payables				Total	87.22	126.46
	a) Total outstanding dues of micro enterprises and small enterprises	-	-				
	Total	-	-				
	b) Total outstanding dues of creditors other than micro enterprises and small enterprises	15.37	19.15				
	Total	15.37	19.15				
	<i>3) Pl. refer Note No 45: Ageing of Trade & Other Payables</i>						

(Rupees in Lakhs)

Note 18 : Deferred tax assets / liabilities

Particulars	As at 31st-March-2024	As at 31st-March-2023
Deferred tax liability on account of :		
Timing difference on Property, plant and equipment as per books and Income Tax Act, 1961	(53.91)	(20.48)
IndAS Adjustments	40,364.02	32,733.46
Total deferred tax liabilities (A)	40,310.11	32,712.98
Deferred tax assets on account of:		
On Employee Benefits (loans)	0.06	0.16
Provision for leave encashment/Gratuity (Employee benefits)	31.77	23.09
On Provision for impairment (Expected Credit Loss)	88.09	100.67
IndAS Adjustments	15,956.62	10,380.52
Total deferred tax assets (B)	16,076.53	10,504.44
Net deferred tax assets / (liability) (B-A)	(24,233.58)	(22,208.54)

Note 18.1: Movement of Deferred Tax

Particulars	As at 31st-March-2024	Recognised through profit and loss	Recognised through Other comprehensive income	As at 31st-March-2023	Recognised through profit and loss	Recognised through Other comprehensive income	As at 31st Mar 2022
Deferred tax liabilities on account of:							
Timing difference on Property, plant and equipment as per books and Income Tax Act, 1961	(53.91)	(33.43)	-	(20.48)	(56.82)	-	36.34
Deferred tax on IND AS adjustments	40,364.02	637.96	6,992.60	32,733.46	-	(6,757.06)	39,490.52
Total deferred tax liabilities	40,310.11	604.53	6,992.60	32,712.98	(56.82)	(6,757.06)	39,526.86
Deferred tax assets on account of:							
On Employee Benefits (loans)	0.06	(0.10)	-	0.16	0.10	-	0.05
On Provision for impairment (Expected Credit Loss)	88.09	(12.58)	-	100.67	-	-	100.67
Deferred Tax on Ind AS Adjustments	15,956.62	5,576.09	-	10,380.52	335.89	-	10,044.63
Provision for leave encashment/Gratuity (Employee benefits)	31.77	11.49	(2.81)	23.09	0.94	5.82	16.33
Total deferred tax assets	16,076.53	5,574.90	(2.81)	10,504.44	336.94	5.82	10,161.68
Total deferred tax Assets/(liability) (net)	(24,233.58)	4,970.37	(6,995.41)	(22,208.54)	393.76	6,762.88	(29,365.18)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

(Rupees in Lakhs)

Note No 19 : Equity share capital

Particulars	As at 31st-March-2024		As at 31st-March-2023	
	Number	Amount	Number	Amount
Authorised Share Capital:				
Equity Shares of Rs.10/- each	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
Issued share capital:				
Equity Shares of Rs.10/- each	3,52,63,492	3,526.35	3,56,95,282	3,569.53
Total	3,52,63,492	3,526.35	3,56,95,282	3,569.53

Particulars	As at 31st-March-2024		As at 31st-March-2023	
	Number	Amount	Number	Amount
Subscribed & Paid-Up Capital:				
Equity Shares of Rs.10/- each fully paid up	3,47,95,992	3,479.60	3,52,27,782	3,522.78
Forfeited shares:				
Amount paid up on forfeited equity shares	4,67,500	12.22	4,67,500	12.22
Total	3,52,63,492	3,491.82	3,56,95,282	3,535.00

19.1 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.

19.2 Reconciliation of number of shares outstanding at the beginning and at the year end:

Particulars	Year ended 31st-March-2024		Year ended 31st March 2023	
	Number	Amount	Number	Amount
Issued Equity Share capital:				
At beginning of the year	3,56,95,282	3,569.53	3,91,29,517	3,912.95
Shares Extinguished on Buyback of Equity Shares ⁽⁵⁾	(4,31,790)	(43.18)	(34,34,235)	(343.42)
At the end of the year	3,52,63,492	3,526.35	3,56,95,282	3,569.53
Subscribed & Paid-Up Equity Share Capital:				
At beginning of the year	3,52,27,782	3,522.78	3,86,62,017	3,866.20
Shares Extinguished on Buyback of Equity Shares ⁽⁵⁾	(4,31,790)	(43.18)	(34,34,235)	(343.42)
At the end of the year	3,47,95,992	3,479.60	3,52,27,782	3,522.78

\$ Pl. refer foot note 4 of Note No 20: Other Equity

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

Name of shareholder	As at 31st-March-2024		As at 31st-March-2023	
	No. of shares held	% of holding (*)	No. of shares held	% of holding (*)
VLS Capital Limited	1,33,36,538	38.33	1,33,36,538	37.86
Mahesh Prasad Mehrotra (HUF)	19,84,262	5.70	19,84,262	5.63

Pl. refer Note No 44: Shareholding of Promoters and Promoter Group

19.4 Disclosure as to aggregate number and class of shares allotted pursuant to contract(s) without payment being received in cash, shares issued as fully paid up by way of bonus shares and shares bought back.

Particulars	Fully paid up pursuant to contract (s) without payment being received in cash	Fully paid up by way of bonus shares	Shares bought back
	Number	Number	Number
Equity Shares :			
1) 2023-2024	Nil	Nil	4,31,790
2) 2022-2023	Nil	Nil	34,34,235
3) 2021-2022	Nil	Nil	Nil
4) 2020-2021	Nil	Nil	Nil
5) 2019-2020	Nil	Nil	Nil

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Note No 20 : Other Equity ⁽²⁾

PARTICULARS	As at 31st-March-2024	As at 31st-March-2023
a) General Reserve		
Balance at the beginning of the year	2,968.84	2,968.84
Add: during the year	-	-
Balance as at end of the year	2,968.84	2,968.84
b) Securities Premium ⁽¹⁾		
Balance at the beginning of the year	3,771.72	9,627.48
Add: during the year	-	-
Buyback of Equity Shares ⁽⁴⁾	(686.22)	(5,855.76)
Balance as at end of the year	3,085.50	3,771.72
c) Capital Redemption Reserve ^(3, 4)		
Balance at the beginning of the year	456.72	113.30
Add: during the year	-	-
Buyback of Equity Shares ⁽⁴⁾	43.18	343.42
Balance as at end of the year	499.90	456.72
d) Retained earnings		
Balance at the beginning of the year	97,658.15	92,338.80
Add: Profit/(loss) during the year	32,021.99	5,244.00
Transfer from FVTOCI to Retained Earnings	16,579.40	998.71
Less: Cash Dividend ^(5, 6)	(521.94)	(579.93)
Buyback of Equity Shares ⁽⁴⁾	(43.18)	(343.42)
Balance as at end of the year	1,45,694.43	97,658.16
e) Fair value gain on equity and other instruments carried through other comprehensive income		
Balance at the beginning of the year	40,959.27	62,048.73
Other Comprehensive Income during the year (net of tax)	20,791.08	(20,090.76)
Transfer from FVTOCI from/to Retained Earnings	(16,579.40)	(998.71)
Balance as at end of the year	45,170.95	40,959.27
f) Remeasurement of Defined Benefit Plans		
Balance at the beginning of the year	(16.94)	0.38
Add: Other comprehensive income (net of tax)	8.36	(17.31)
Balance as at end of the year	(8.57)	(16.93)
TOTAL (a to f)	1,97,411.05	1,45,797.78

- 1) Of the above amount of ₹ 9627.48 lakh, an amount of ₹ 474.34 lakh is relating to share premium received on forfeited shares.
- 2) There is no changes in accounting policy and there is no prior period errors.
- 3) Transfer from the Retained Earning to the Capital Redemption Reserve towards nominal value of 11,32,983 fully paid up Equity Shares of ₹ 10/- each bought back for the first time on 11/02/2014 for cash.
- 4) The Board of Directors of the Company in its meeting held on 05-Jan-2023 has approved buy-back of its own shares by the Company from open market through Stock Exchange route in terms of proviso to clause (b) of sub section 2 of section 68 of the Companies Act, 2013 and other applicable regulations. The buyback so approved had opened from 16/01/2023 and closed on 29/05/2023. During this period 38,66,025 equity shares of Rs 10/- each have been bought back by the company at an average rate of ₹ 179.22 per share. A total sum of ₹ 6,928.59 lakhs (excluding transaction costs) was utilised for the said buyback. Post buyback the paid up share capital of the Company is ₹

3491.82 Lakhs (including ₹ 12.22 Lakhs being the amount forfeited on 4,67,500 equity shares) comprising 3,47,95,992 equity shares of ₹ 10/- each. Requisite compliances under applicable regulations have been made in respect of aforesaid buyback including for extinguishment of said shares so bought back. Accordingly, EPS has been calculated on weighted average number of shares as on 31-March-2024 in accordance with IND-AS 33. Out of total consideration of ₹ 6,928.59 lakhs, ₹ 6,199.18 lakhs, paid towards buy-back of equity shares till 31st Mar 2023 is adjusted against share capital to the extent of ₹ 343.42 lakhs and against the share premium to the extent of ₹ 5,855.76 lakhs and ₹ 729.40 lakhs, paid towards buy-back of equity shares till 31st Mar 2024 is adjusted against share capital to the extent of ₹ 43.18 lakhs and against the share premium to the extent of ₹ 686.22 lakhs. Further consequent to the aforesaid buyback of 4,31,790 fully paid up Equity Shares of ₹ 10/- each during the year ended 31-Mar-2024 (34,34,235 fully paid up Equity Shares of ₹ 10/- each during the year ended 31-Mar-2023) for cash, the nominal amount of shares capital bought-back of ₹ 43.18 lakhs (Previous Year 343.42 lakhs) has been transferred to the Capital Redemption Reserve out of the Retained Earning.

- 5) Dividend amounting to ₹ 579.93 lakhs @ ₹ 1.50 per equity share proposed for the year ended March 31, 2022 was paid on the outstanding number of shares during the year ended March 31, 2023.
- 6) Dividend amounting to ₹ 521.94 lakhs @ ₹ 1.50 per equity share proposed for the year ended March 31, 2023 was paid on the outstanding number of shares as on the book closure date i.e. 23/09/2023, during the year ended March 31, 2024.

Nature and purpose of reserves :
(A) Securities premium:

Securities premium is used to record the premium received on issue of shares. The Securities premium can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(B) Retained earnings:

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

(C) General reserve:

General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013.

(D) Capital redemption reserve:

The Companies Act, 2013 requires that when a Company purchases its own shares out of free reserves or securities premium account or both, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve. The reserve is utilised in accordance with the provisions of Section 69 of the Companies Act, 2013.

(E) Other comprehensive income (OCI):

The Company has elected to recognise changes in the fair value of certain investments in equity securities and other instruments in other comprehensive income. These changes are accumulated within the FVTOCI reserve under the head "other equity". The Company transfers amounts from this reserve to retained earnings when those investments have been disposed off. Further this also represents the gain/(loss) on remeasurement of defined benefit obligations and of plan assets.

NOTE NO.	PARTICULARS	For the Year ended	
		31st-March-2024	31st Mar-2023
21	Interest Income		
	Interest income from Investments:-		
	-From Tax Free Bonds	426.97	475.48
	-From PMS/MF investments	63.98	63.45
	-From Others	82.69	32.91
	On Margin Deposits with Share Brokers/stock exchange	576.02	410.25
	On deposits with Banks	62.57	38.50

NOTE NO.	PARTICULARS	For the Year ended		NOTE NO.	PARTICULARS	For the Year ended	
		31st-March-2024	31st Mar-2023			31st-March-2024	31st Mar-2023
	Other interest income	189.08	63.53				
	Total	1,401.31	1,084.12				
22	Dividend Income			28	Impairment on financial instruments		
	Dividend on Investments	1,200.05	1,000.86		Bad Debts	58.15	-
	Total	1,200.05	1,000.86		Provision for expected credit losses	(50.00)	-
23	Net gain on fair value changes				Total	8.15	-
	(i) Net gain/ (loss) on financial instruments at fair value through Profit and loss account			29	Depreciation and amortization expenses		
	(a) - Investment				Depreciation on Property, plant & equipment	276.55	404.97
	- On Investment	6,452.38	5,526.92		Amortisation of Right of use Assets (Refer note 11a)	22.17	20.75
	(b) - Trading				Amortisation on other intangible assets	0.05	0.10
	- On Securities	15.11	6.25		Depreciation on investment property	271.28	-
	- On Future & Option	30,566.21	(360.20)		Total	570.05	425.82
	- On Liquid Mutual Funds	200.73	248.89	30	Other expenses		
	(ii) Others				Advertisement & Business Promotion	29.27	31.99
	(a) Gain/(Loss) on sale of debt FVTOCI Instruments	135.99	-		Consultancy, Legal & Service Charges	354.66	298.82
	Total	37,370.42	5,421.86		Communication Expenses	9.17	7.60
	Fair Value changes:				Electricity & Water Charges	37.95	29.01
	-Realised	34,835.60	5,421.86		Insurance	2.32	2.50
	Unrealised	2,534.82	-		Office Expenses	38.16	25.02
	Total	37,370.42	5,421.86		Shares Transaction Charges	7.94	14.54
24	Other Operating Income				Securities Transaction Tax on Investment	293.88	179.27
	Income from Securities Lending	17.65	64.50		Securities Transaction Tax on others	272.49	145.90
	Total	17.65	64.50		Travelling Expenses & Conveyance	27.29	29.53
25	Other Income				Rates & Taxes	59.50	106.24
	Rental income from other assets*	75.70	37.97		Short-term leases	11.34	25.07
	Rental income from Investment properties*	523.94	4.23		Repairs & Maintenance		
	Interest on staff loans and advances	0.26	0.08		--Building	-	-
	On Financial Assets measured at Amortised Cost	1.03	1.16		--Others	76.55	61.28
	Interest on Income Tax Refund	83.77	110.33		Donation & Charity	48.43	3.25
	Profit on sale/transfer of assets (net)	334.36	-		Miscellaneous Expenses	42.99	36.58
	Interest Income Others	0.61	-		Share Buyback expenses	4.00	63.34
	Others	0.05	-		CSR Expenditure ^(#)	333.49	291.12
	Total	1,019.72	153.77		Auditors' Remuneration		
	* Pl. refer Note No 51: Disclosure under Ind As 116 Lease and Note No 50: Investment Property				a) Audit Fees	2.25	2.00
26	Employee benefits expense				b) For Other Services		
	Salaries	535.99	457.95		--For Tax audit	0.90	0.90
	Staff Amenities/welfare expenses	18.54	28.77		-- For certification	1.99	3.00
	Employer's Contribution to PF, ESI, Gratuity Fund etc.	61.32	51.07		--Out of pocket expenses	0.35	0.35
	Total	615.85	537.79		Internal Auditors' Remuneration		
27	Finance Costs				-- Fees	1.00	1.00
	Bank / Finance Charges	1.04	0.73		--For certification	0.20	0.10
	Interest Payment on Loans/ overdraft facilities	5.64	1.08		Directors' Sitting Fees	22.90	34.20
	Interest on lease liabilities	3.48	5.32		Loss on sale/transfer of assets	1.12	3.54
	Other interest expenses	10.40	0.07		Total	1,680.14	1,396.15
	Total	20.56	7.20		# Refer Note No: 32 on Corporate Social Responsibility		
				31	Earnings per equity share		
					Net profit/(Loss) attributable to equity shareholders	32,021.99	5,244.00
					Total (A) (Rupees in Lakhs)	32,021.99	5,244.00

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

NOTE PARTICULARS NO.	For the Year ended	
	31st-March-2024	31st Mar-2023
Weighted average number of equity shares issued (face value of Rs 10/ each) (Numbers in Lakhs)	348.48	386.34
Total (B) (Numbers in Lakhs)	348.48	386.34
Basic earnings per share [A/B] (In Rupees)	91.89	13.57
Net Profit/(Loss) attributable to equity shareholders [C] (Rupees in Lakhs)	32,021.99	5,244.00
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] (Rupees in Lakhs)	32,021.99	5,244.00
Weighted average of equity shares issued (face value of Rs 10/- each) (Numbers in Lakhs) [E]	348.48	386.34
Weighted number of additional equity shares outstanding for diluted EPS (Numbers in Lakhs) [F]	-	-
Weighted number of equity shares outstanding for diluted EPS (Numbers in lakhs) [E+F]	348.48	386.34
Diluted earnings per share [C-D/E+F] (In Rupees)	91.89	13.57

Note No: 32 Corporate Social Responsibility

- 1) The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from 1st April 2014. As per the provisions of the said section, the Company has undertaken the following CSR initiatives during the financial year 2023-24 and 2022-23. CSR initiatives majorly includes promoting education and supporting under privileged in medical treatments and various other charitable and noble aids.
- a) Amount required to be spent by the company during the year 2023-24 of Rs. 333.49 Lakhs (Previous year Rs. 291.12 Lakhs) has been computed in accordance with applicable regulations.
- b) Amount spent during the year ended 31 March 2024 and 31st March 2023 as follows:

(Rupees in Lakhs)

Particulars	As at	
	31st March 2024	31st March 2023
(i) Amount required to be spent by the company during the year	333.49	291.12
(ii) Excess amount spent in previous year(s) (set off)		(0.13)
(iii) Amount available for spending under CSR for the year, after set off	333.49	290.99
(iv) Amount of expenditure incurred	333.49	290.99
a) Construction/acquisition of any asset	10.00	-
b) on purposes other than (i) above	178.85	111.34
(v) Details related to spent / unspent obligations:		
a) Directly by the Company	-	-
b) Contribution to eligible entity	188.85	111.34
c) Unspent amount in relation to:		
- Ongoing project	144.64	179.52

Particulars	As at	
	31st March 2024	31st March 2023
- Other than ongoing project	-	0.13
(vi) Shortfall/(Excess #) at the end of the year	144.64	179.65
(vii) Total of previous years shortfall	-	-
(viii) Reason for shortfall	Allocated to ongoing projects	
(ix) Nature of CSR activities	CSR initiatives majorly includes promoting education and supporting under privileged in medical treatments and various other charitable and noble aids.	
(x) Details of related party transactions as per relevant Accounting Standard	**	
(xi) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision.	As given below	

- 2) **Movements in the provision with respect to a liability incurred by entering into a contractual obligation during the year.**

(Rupees in Lakhs)

Particulars	For the year ended	
	31st March 2024	31st March 2023
Opening provision balance	179.65	-
Provision created during the year (for ongoing projects, in case of S. 135(6))	144.64	179.52
Provision created during the year (for other than ongoing project, In case of S. 135(5))	-	0.13
Amount spent during the year	(102.17)	-
Closing Provision balance	222.12	179.65

- 3) **Details of other than ongoing project, In case of S. 135(5)**

(Rupees in Lakhs)

Particulars	For the year ended	
	31st March 2024	31st March 2023
Opening Balance	0.13	-
Amount required to be spent during the year (after set off of Excess amount spent in previous year)	188.85	111.47
Amount deposited in Specified Fund of Sch. VII within 6 months ^s	(0.13)	-
Amount spent during the year	(188.85)	(111.34)
Closing Balance ^s	-	0.13

- 4) **Details of ongoing projects, in case of S. 135(6)**

(Rupees in Lakhs)

Particulars	For the year ended		
	31st March 2024	31st March 2023	
Opening Balance	With Company	179.52	-
	In Separate CSR Unspent A/c	-	-
Transfer to Separate CSR unspent A/c	179.52	-	
Amount required to be spent during the year	144.64	179.52	

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Particulars		For the year ended	
		31st March 2024	31st March 2023
Amount spent during the year	From Company's Bank A/c	-	-
	From Separate CSR Unspent A/c	102.04	-
Closing balance *	With Company	144.64	179.52
	In Separate CSR Unspent A/c	77.48	-

Notes

Excess amount spent during the year to be set off in next year.

* The corpus of Rs 144.64 lakhs (Previous Year Rs 179.52 Lakhs) under CSR for the year 2023-2024 (Previous Year 2022-2023) had been allocated to projects identified for ongoing project. No disbursement was made during respective years because the concerned entities had requested disbursement of funds from the subsequent year onwards though allocated in the respective years. Accordingly, the amount of Rs 144.64 lakhs (Previous Year Rs 179.52 Lakhs) has not been considered as spent and shown in the shortfall Column. The amount has already been transferred with in 30 days of close of the financial year in to the separate bank account maintained for unspent CSR and will be disbursed in accordance with the applicable regulations.

** The Company has not made any transaction with related parties in relation to CSR expenditure as per Ind AS 24.

\$ Remitted to PM Cares Fund on 09-May-2023 in accordance with applicable regulations.

Note No 33. Related party transactions:
List of Related Parties and Relationships during the year:
a) Subsidiary Companies:

1. VLS Securities Limited (100.00%)
2. VLS Asset Management Limited (99.15%)
3. VLS Real Estate Limited (100.00%)

b) Key Managerial Personnel (KMP):

1. Shri M.P.Mehrotra (Executive Vice Chairman) ('Exec. VC') (cessation w.e.f. 5th April 2024 on account of his demise*)
2. Shri S. K. Agarwal (Managing Director)
3. Shri Vikas Mehrotra (Managing Director -International Operations) appointment w.e.f. 12th Jan 2022 (cessation w.e.f. 13th July 2023 on account of his demise*)
4. Shri Anurag Bhatnagar (CFO in VLS Securities Limited) ('CFO VLS Sec') resigned w.e.f. 31/08/2022
5. Ms. Unnati Jani (CS in VLS Securities Ltd.) appointed w.e.f. 22nd Mar 2022 - resigned w.e.f. 17th Dec 2022
6. Shri K. K. Soni (Director Finance & CFO)
7. Shri H Consul (Company Secretary)
8. Shri Vishesh Jain (CS in VLS Securities Ltd.) appointed w.e.f. 28th Dec 2022 - ('CS VLS Sec.')
9. Shri Aditya Kumar Bansal (CFO in VLS Securities Limited) ('CFO VLS Sec') appointment w.e.f. 15th June 2023
10. Shri Keshav Tandan (Executive Director) appointed w.e.f. 29th Mar 2024

c) Others:

1. VLS Capital Limited (Associate of VLS Securities Ltd.)
2. M/s Vinayak Pharma – related to Mr SK Agarwal, Managing Director
3. Shri Ajit Kumar (Chairman, Independent Director cessation w.e.f. 26/08/2023 on account of his demise)
4. Dr. (Mrs.) Neeraj Arora (Non-Executive Director) resigned w.e.f. 10th May 2023
5. Shri. D. K. Mehrotra (Independent Director)
6. Dr. R. L. Bishnoi (Independent Director) resigned w.e.f. 1st Mar 2023
7. Shri Deepak Kumar Chatterjee (Independent Director) resigned w.e.f. 4th May 2023
8. Ms. Divya Mehrotra (Non-Executive Director & Constituent of Promoter Group) cessation w.e.f. 04/01/2024 on account of her demise)
9. Shri Anoop Mishra (Independent Director) appointment w.e.f. 10th Aug 2023
10. Shri Adesh Kumar Jain (Independent Director) appointment w.e.f. 10th Aug 2023
11. Adesh Kumar Jain and Sons (HUF) (Enterprises in which Non-executive Independent Director Shri Adesh Kumar Jain and their relatives exercises Significant Influence)
12. Smt Alka Jain (Wife of Shri Adesh Kumar Jain (Non-executive Independent Director))
13. Smt Priyanka Jain (Daughter in law of Shri Adesh Kumar Jain (Non-executive Independent Director))
14. Shri Shashank Jain (Son of Shri Adesh Kumar Jain (Non-executive Independent Director))
15. Smt Sudha Aggarwal (Wife of Shri S. K. Agarwal (Managing Director))
16. Ms. Daya Mehrotra (Promoter Group)
17. Pragati Moulders Ltd (Promoter Group)
18. Smt Uma Soni (Wife of Shri K. K. Soni (Director Finance & CFO))
19. M/s Mehrotra & Mehrotra (Firm in which Promoter is Partner)
20. Ms. Sadhana Mehrotra (Promoter Group)
21. Mahesh Prasad Mehrotra (HUF) (Promoter Group)
22. Chai Thela Pvt Ltd (Private Company in which a Director or his relative is a Member or Director)
23. South Asian Enterprises Ltd (Promoter Group)
24. VLS Commodities Private Limited (Promoter Group)
25. Shri Shivesh Ram Mehrotra (Non-executive Non-Independent Director) appointment w.e.f. 13-Feb-2024
26. Shri Najeeb Hamid Jung (Non-executive Independent Director) appointment w.e.f. 13-Feb-2024
27. Shri Gaurav Goel (Non-executive Non-Independent Director) appointment w.e.f. 13-Feb-2024
28. Mrs. Neeraj Vinay Bansal (Non-executive Independent Director) appointment w.e.f. 29-Mar-2024

Notes to the Standalone Financial Statements for the year ended March 31, 2024
Transactions with Related Parties:
(Rupees in Lakhs)

S No	Name of Related Party	Relationship of the counterparty with the listed entity.	Nature of Transaction	Year Ended March 31, 2024 ^(#)	Year Ended March 31, 2023 ^(#)
1	VLS Securities Limited	Wholly Owned Subsidiary Company	Purchase of Securities (as share broker)	21,81,508.15	14,02,165.52
2	VLS Securities Limited	Wholly Owned Subsidiary Company	Sale of Securities (as share broker)	22,05,971.70	14,17,398.25
3	VLS Securities Limited	Wholly Owned Subsidiary Company	Rent and other Charges received	24.00	24.30
4	VLS Capital Limited	Promoter Group	Rent and other Charges received	4.75	2.67
5	M/s Mehrotra And Mehrotra	Firm in which Promoter is Partner	Rent and other Charges received	9.00	7.50
6	VLS Securities Limited	Wholly Owned Subsidiary Company	Other charges Paid (GST, STT, Stamp Duty)	652.36	385.58
7	VLS Securities Limited	Wholly Owned Subsidiary Company	Interest received on Margin Money Deposits	560.28	391.14
8	Shri M.P.Mehrotra	Key Managerial Personnel	Remuneration ⁴	94.04	107.03
9	Shri Vikas Mehrotra *	Key Managerial Personnel	Remuneration ⁴	22.91	51.35
10	Shri S. K. Agarwal	Key Managerial Personnel	Remuneration ⁴	50.41	43.55
11	Shri K. K. Soni	Key Managerial Personnel	Remuneration ⁴	48.28	41.77
12	Shri H Consul	Key Managerial Personnel	Remuneration ⁴	33.73	29.87
13	Shri Keshav Tandan	Key Managerial Personnel	Remuneration ⁴	0.47	-
14	Shri Aditya Kumar Bansal	Key Managerial Personnel of Subsidiary Company	Remuneration to CFO VLS Sec.	18.61	-
15	Shri Vishesh Jain	Key Managerial Personnel of Subsidiary Company	Remuneration ⁴	5.42	1.21
16	Ms. Divya Mehrotra	Director	Security Deposit Received back	358.03	26.97
17	Ms. Divya Mehrotra	Director	Rent Paid	25.41	24.20
18	Shri M.P.Mehrotra	Key Managerial Personnel	Rent Paid (as legal Heir of Ms Divya Mehrotra)	4.41	-
19	Ms. Divya Mehrotra	Director	Sitting Fees	3.00	4.30
20	Shri Ajit Kumar	Non-executive Independent Director	Sitting Fees	1.25	7.10
21	Shri Najeeb Hamid Jung	Non-executive Independent Director	Sitting Fees	1.20	-
22	Shri Gaurav Goel	Non-executive Non-Independent Director	Sitting Fees	0.60	-
23	Mrs. Neeraj Vinay Bansal	Non-executive Independent Director	Sitting Fees	0.60	-
24	Shri Anoop Mishra	Non-executive Independent Director	Sitting Fees	5.45	-
25	Shri Adesh Kumar Jain	Non-executive Independent Director	Sitting Fees	5.10	-
26	Shri Dinesh Kumar Mehrotra	Non-executive Independent Director	Sitting Fees	5.70	6.15
27	Chai Thela Pvt Ltd	Private Company in which a Director or his relative is a Member or Director	Rent/Food Beverages received/Paid	1.87	2.50
28	South Asian Enterprises Ltd	Promoter Group	Rent and other Charges received	1.20	1.00
29	VLS Capital Limited	Promoter Group	Dividend	200.05	200.05
30	Mahesh Prasad Mehrotra (HUF)	Promoter Group	Dividend	29.76	29.76
31	Ms. Sadhana Mehrotra	Promoter Group	Dividend	13.27	13.27
32	Ms. Divya Mehrotra	Director	Dividend	8.12	8.12
33	VLS Commodities Private Limited	Promoter Group	Dividend	6.87	6.87
34	Shri Vikas Mehrotra	Key Managerial Personnel	Dividend	7.29	7.29
35	Shri Adesh Kumar Jain	Non-executive Independent Director	Dividend	0.03	-
36	Adesh Kumar Jain and Sons (HUF)	Enterprises in which Non-executive Independent Director and their relatives exercises Significant Influence	Dividend	0.03	-
37	Smt Alka Jain	Relative Non-executive Independent Director	Dividend	0.03	-
38	Smt Priyanka Jain	Relative Non-executive Independent Director	Dividend	0.01	-
39	Shri Shashank Jain	Relative Non-executive Independent Director	Dividend	0.03	-
40	Smt Sudha Aggarwal	Relative of Managing Director	Dividend	-	-
41	Smt Uma Soni	Relative of Director Finance & CFO	Dividend	-	-
42	South Asian Enterprises Ltd	Promoter Group	Dividend	0.02	0.02
43	Shri S. K. Agarwal	Key Managerial Personnel	Dividend	-	-
44	Shri M.P.Mehrotra	Key Managerial Personnel	Dividend	-	-
45	Shri K. K. Soni	Key Managerial Personnel	Dividend	-	-
46	VLS Asset Management Limited	Subsidiary	Filling Fee & related expenses paid on behalf of subsidiary	0.04	0.06
47	M/s Vinayak Pharma	Enterprises in which Key Management Personnel and their relatives exercise Significant Influence	Sanitizer & Medical consumables/ equipments purchased (COVID-19 preventive measures)	0.02	0.04

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

S No	Name of Related Party	Relationship of the counterparty with the listed entity.	Nature of Transaction	Year Ended March 31, 2024 ^(#)	Year Ended March 31, 2023 ^(#)
48	Shri Deepak Chatterjee	Non-executive Independent Director	Sitting Fees	-	4.40
49	Mrs Neeraj Arora	Director	Sitting Fees	-	5.10
50	Shri Vikas Mehrotra *	Key Managerial Personnel	Sitting Fees	-	0.50
51	Shri Rajeev Lochan Bishnoi	Non-executive Independent Director	Sitting Fees	-	6.65
52	Shri H Consul	Key Managerial Personnel	Repayment of Loan by Company Secretary	-	0.30
53	Shri Anurag Bhatnagar	Key Managerial Personnel of Subsidiary Company	Sale of Asset to CFO VLS Sec.	-	0.13
54	VLS Real Estate Limited	Wholly Owned Subsidiary Company	Reimbursement of expenses	-	0.06
55	Ms. Unnati Jani	Key Managerial Personnel of Subsidiary Company	Remuneration ⁴	-	3.01
56	Chai Thela Pvt Ltd	Private Company in which a Director or his relative is a Member or Director	Receivables	-	2.70
57	VLS Asset Management Limited	Subsidiary	Investment in Subsidiary at the end of period	7.01	7.01
58	VLS Real Estate Limited	Wholly Owned Subsidiary Company	Investment in Subsidiary at the end of period	10.00	10.00
59	VLS Securities Limited	Wholly Owned Subsidiary Company	Investment in Subsidiary at the end of period	3,483.16	3,483.16
60	Ms. Divya Mehrotra	Director	Security Deposit Outstanding Balance at the end of period	-	358.03
61	VLS Securities Limited	Wholly Owned Subsidiary Company	Outstanding Balance at the end of period (excluding margin money deposits)	98.32	99.35
62	VLS Asset Management Limited	Subsidiary	Receivables Outstanding Balance at the end of period	9.64	9.60

* Remuneration was paid w.e.f. 01st June 2022 on receipt on approval from central government on 31st May 2022 and sitting fee of Rs 0.50 lakh paid prior to receipt of intimation had been treated as remuneration for the said period.
Shri Vikas Mehrotra (Managing Director -International Operations) cessation as KMP w.e.f. 13th July 2023 on account of his demise.

Notes:

- The value of transaction represents the value of transaction with related party from the date the party became related party.
- If the amount is less than Rs 500 then the figure is shown as "-" or "0"
- The value of related party transactions are given, excluding applicable taxes if any.
- Key Managerial Personnel Remuneration numbers are in the nature of Short term employee benefits as per IND AS 24. Key Managerial Personnel Remuneration does not include provision for gratuity and Insurance premiums for medical and life. Post employment benefits and other long term benefits are determined for all the employees on actuarial valuation basis. Hence, it is not possible to identify and segregate such compensation pertaining to KMP's for other long term employee benefits and post retirement employee benefits.

Note No 34. 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	31st Mar 2024	31st Mar 2023
Borrowings	17.85	68.75
Trade payables	12.08	2.63
Other payables	15.37	19.15
Less: cash and cash equivalents	2,282.60	4,002.58
Net debt	-	-
Total capital	2,00,902.87	1,49,332.78
Gearing ratio	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.

Note No 35. Other Financial Information

- 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 2024	31 March 2023
Principal amount remaining unpaid to any supplier as at the period end.	Nil	Nil
Interest due thereon	Nil	Nil
Amount of interest paid	Nil	Nil

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Particulars	31 March 2024	31 March 2023
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	Nil	Nil
b. Earnings in Foreign Currency	Nil	Nil
c. Expenditure in Foreign Currency	Nil	Nil
d. In Note no 6: Receivables dues from related party, Pl. refer note No 33: Related party Transactions.		

Note No 36. Commitments
a. Commitments:

Particulars	31 March 2024	31 March 2023
(a) Estimated amount of contracts remaining to be executed on Capital Account.	Nil	Nil
(b) Uncalled liability on shares and other investments partly paid	Nil	Nil

Note No 37. Contingencies
a. Contingent liabilities

Particulars	31 March 2024	31 March 2023
(a) Claims against the company not acknowledged as debt;		
i) Income tax matters *	2597.07	Nil
(b) Guarantees excluding financial guarantees	Nil	Nil

* Income Tax demand relating to financial year 2021-22 (AY 2022-23) is Rs 2597.07 Lakhs (Previous year Nil) for which appeal is pending before CIT(A).

This is disputed by the Company in appeal and hence not provided for. The Company's refund of Rs 70.34 lakh has been withheld and adjusted due to the above demand (Previous year Nil) by the income tax department.

The Company has evaluated the notice and demand letter and is of the opinion that it would succeed in appeal. Accordingly, no provision for any liability has been made in these financial statements.

Note No 38. 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:

(Rupees in Lakhs)

Particulars	Carrying value		Fair value	
	31st Mar 2024	31st Mar 2023	31st Mar 2024	31st Mar 2023
Financial assets				
Trade Receivables	1,732.20	1834.47		-
Other Receivables	224.69	349.58		-
Other financial assets	16,476.11	10,791.20		-
Loans	812.85	812.61		-
FVTPL financial investments	34,787.22	-	34,787.22	-
FVTOCI financial investments	1,49,373.13	1,38,498.15	1,49,373.13	1,38,498.15
Total	2,03,406.20	1,52,286.01	1,84,160.35	1,38,498.15

Particulars	Carrying value		Fair value	
	31st Mar 2024	31st Mar 2023	31st Mar 2024	31st Mar 2023
Financial liabilities				
Borrowings	17.85	68.75		-
Other Financial Liabilities	362.94	332.49		-
Total	380.79	401.24	-	-

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 the latest financial figures of the respective company or price multiples of comparable companies or Price Quotation received from intermediaries dealing in unquoted shares. 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 No 39: 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:

- Credit risk
- Liquidity risk
- 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.

i. 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 the Company's trade receivables.

Following provides exposure to credit risk for trade receivables:

Particulars	March 31,2024	March 31,2023
Trade and Other Receivables (net of impairment)	1956.89	2184.05
Total	1956.89	2184.05

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.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

ii. 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 summaries the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31 2024:

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
Assets					
Cash and bank balances	3,352.09	7.25	296.95	-	3,656.29
Trade receivables	1,732.20	-	-	-	1,732.20
Other receivables	224.69	-	-	-	224.69
Loans	0.40	2.62	809.83	-	812.85
Investments	-	-	1,00,573.54	87,087.56	1,87,661.10
Other financial assets	12,515.40	3,922.11	-	38.60	16,476.11
Total	17,824.78	3,931.98	1,01,680.32	87,126.16	2,10,563.24
Liabilities					
Trade payables	12.08	-	-	-	12.08
Other payables	15.37	-	-	-	15.37
Borrowings	17.85	-	-	-	17.85
Other financial liabilities	362.94	-	-	-	362.94
Total	408.24	-	-	-	408.24
Net Excess / (shortfall)	17,416.54	3,931.98	1,01,680.32	87,126.16	2,10,155.00

The table below summaries the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31 2023:

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
Assets					
Cash and bank balances	4,926.25	92.31	502.77	-	5,521.33
Trade receivables	1,834.47	-	-	-	1,834.47
Other receivables	349.58	-	-	-	349.58
Loans	5.57	3.19	803.85	-	812.61
Investments	-	-	44,117.06	97,881.84	1,41,998.90
Other financial assets	9,900.00	851.35	-	39.85	10,791.20
Total	17,015.87	946.85	45,423.68	97,921.69	1,61,308.09
Liabilities					
Trade payables	2.63	-	-	-	2.63
Other payables	19.15	-	-	-	19.15
Borrowings	68.75	-	-	-	68.75
Other financial liabilities	332.49	-	-	-	332.49
Total	423.02	-	-	-	423.02
Net Excess / (shortfall)	16,592.85	946.85	45,423.68	97,921.69	1,60,885.07

iii. 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 exchangerates. The objective of marketrisk management is to maintain an acceptable level of marketrisk 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 on 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.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Note No 40: Employees Benefits
i. Defined Contribution Plans:

Amount of Rs. 33.32 lakhs (Rs. 29.25 lakhs for the financial year 2022-2023) contributed to provident funds is recognized as an expense under 'Employee Cost in the Statement of Profit and Loss.

ii. Defined Benefit Plans
a) Gratuity (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:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
1. Assumptions		
Discount rate	7.25%	7.50%
Salary Escalation	5.00%	5.00%
Mortality	IALM 2012-14	IALM 2012-14
2. Changes in present value of obligation at the year end		
Present value of obligation as at beginning of the year	206.09	161.15
Interest Cost	15.46	11.28
Current Service Cost	14.47	12.48
Past Service Cost	0	-
Benefits Paid	(9.92)	(1.56)
Actuarial (gain) / loss on obligations	(7.89)	22.74
Present value of obligations as at end of the year	218.21	206.09
3. Changes in fair value of plan assets at the year end		
Fair value of plan assets at beginning of year	117.41	102.27
Expected return on plan assets	8.51	7.67
Contributions	0.04	7.34
Benefits paid	(9.92)	0
Actuarial gain / (loss) on plan assets	(0.15)	0.13
Fair value of plan assets at the end of the year	115.89	117.41
4. OCI / Expenses (Re measurements)		
Cumulative Un recognized Actuarial (gain)/loss opening b/f	26.98	4.37
Actuarial (gain) / loss on obligations	(7.89)	22.74
Actuarial (gain) / loss for the year – on plan assets	0.15	(0.13)
Total (gain) / loss for the year	(7.74)	22.60
Cumulative total actuarial (gain)/ loss c/f	19.24	26.98
5. Amounts to be recognized in the Balance Sheet		
Present value of obligations as at the end of the year	218.21	206.09
Fair value of plan assets as at the end of the year	115.89	117.41
Net (asset) / liability recognized in balance sheet	102.32	88.68
Funded Status Surplus/ (Deficit)	(102.32)	(88.68)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
6. Amounts recognized in the Statement of Profit and Loss		
Current service cost	14.47	12.48
Interest Cost	15.46	11.28
Past Service Cost	0	-
Expected return on plan assets	(8.51)	(7.67)
Expenses recognized in Statement of Profit and Loss	21.42	16.09
7. Reconciliation of liability in balance sheet		
Opening net defined benefit liability/ (asset)	88.68	58.89
Expenses to be recognized in P&L	21.42	16.09
OCI- Actuarial (gain)/ loss-Total current period	(7.74)	22.60
Employer Contribution	(0.04)	(7.34)
Benefit Paid - Own Fund	-	(1.56)
Closing net defined benefit liability/ (asset)	102.32	88.68

8. Current Liability/Non-Current Profile:

Period	As at 31 March 2024	As at 31 March 2023
Current Liability (Short Term)	171.00	171.11
Non-Current Liability (Long Term)	47.21	34.98
Total Liability	218.21	206.09

9. Maturity profile of defined benefit obligation: Weighted Average:

Weighted average duration (based on discounted cash flows) in years	3	2
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10. Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. The effect of the 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	As at 31 March 2024	As at 31 March 2023
Defined Benefit Obligation (Base)	218.21 Lakhs @ Salary Increase Rate: 5%, and discount rate :7.25%	206.09 Lakhs @ Salary Increase Rate: 5%, and discount rate :7.5%
Liability with x% increase in Discount Rate	215.50 Lakhs x=1.00% [Change (1) %]	203.63 Lakhs x=1.00% [Change (1) %]
Liability with x% decrease in Discount Rate	221.21 Lakhs x=1.00% [Change 1%]	208.79 Lakhs x=1.00% [Change 1%]
Liability with x% increase in Salary Growth Rate	221.25 Lakhs; x=1.00% [Change 1%]	208.83 Lakhs; x=1.00% [Change 1%]
Liability with x% decrease in Salary Growth Rate	215.42 Lakhs; x=1.00% [Change (1)%]	203.56 Lakhs; x=1.00% [Change (1)%]
Liability with x% increase in Withdrawal Rate	218.23 Lakhs; x=1.00% [Change 0%]	206.23 Lakhs; x=1.00% [Change 0%]
Liability with x% decrease in Withdrawal Rate	218.16 Lakhs; x=1.00% [Change 0%]	205.92 Lakhs; x=1.00% [Change 0%]

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

iii. Other Long-term Benefits:
a) Compensated absences/ leave encashment (Unfunded):

The following table summarizes the components of net expenses for leave encashment/ Compensated absences 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, 2024	Year Ended March 31, 2023
Discount rate	7.25%	7.50%
Salary Escalation	5.00%	5.00%
Mortality	IALM 2012-14	IALM 2012-14
2. Changes in present value of obligation at the year end		
Present value of obligation as at beginning of the year	23.05	18.02
Interest Cost	1.73	1.26
Current Service Cost	2.66	4.03
Benefits Paid	(0.1)	(0.79)
Actuarial (gain) / loss on obligations	(3.43)	0.53
Present value of obligations as at end of the year	23.91	23.05
3. OCI / Expenses (Re measurements)		
Cumulative Un recognized Actuarial (gain)/loss opening bf	(4.83)	(5.36)
Actuarial (gain) / loss on obligations	(3.43)	0.53
Actuarial (gain) / loss for the year – on plan assets	-	-
Total (gain) / loss for the year	(3.43)	0.53
Cumulative total actuarial (gain)/loss c/f	(8.26)	(4.83)
4. Amounts to be recognized in the Balance Sheet		
Present value of obligations as at the end of the year	(23.91)	23.05
Fair value of plan assets as at the end of the year	-	-
Net (asset) / liability recognized in balance sheet	23.91	23.05
Funded Status Surplus/ (Deficit)	(23.91)	(23.05)
5. Amounts recognized in the Statement of Profit and Loss		
Current service cost	2.66	4.03
Interest Cost	1.73	1.26
Expected return on plan assets	0	-
Expenses recognized in Statement of Profit and Loss	4.39	5.29
6. Reconciliation of liability in balance sheet		
Opening gross defined benefit liability/ (asset)	23.05	18.02
Expenses to be recognized in P&L	4.39	5.29
OCI- Actuarial (gain)/ loss-Total current period	(3.43)	0.53
Benefits paid (if any)	(0.10)	(0.79)
Closing gross defined benefit liability/ (asset)	23.91	23.05

7. Current Liability/Non-Current Profile:

Period	As at 31 March 2024	As at 31 March 2023
Current Liability (Short Term)	17.72	16.44
Non-Current Liability (Long Term)	6.19	6.61
Total Liability	23.91	23.05

8. Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. The effect of the 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	As at 31 March 2024	As at 31 March 2023
Defined Benefit Obligation (Base)	23.91 Lakhs	23.05 Lakhs
Liability with x% increase in Discount Rate	23.42 Lakhs; x=1.00% [Change (2) %]	22.64 Lakhs; x=1.00% [Change (2) %]
Liability with x% decrease in Discount Rate	24.46 Lakhs; x=1.00% [Change 2%]	23.51 Lakhs; x=1.00% [Change 2%]
Liability with x% increase in Salary Growth Rate	24.46 Lakhs; x=1.00% [Change 2%]	23.51 Lakhs; x=1.00% [Change 2%]
Liability with x% decrease in Salary Growth Rate	23.4 Lakhs; x=1.00% [Change (2) %]	22.62 Lakhs; x=1.00% [Change (2) %]
Liability with x% increase in Withdrawal Rate	23.98 Lakhs; x=1.00% [Change 0%]	23.11 Lakhs; x=1.00% [Change 0%]
Liability with x% decrease in Withdrawal Rate	23.81 Lakhs; x=1.00% [Change 0%]	22.98 Lakhs; x=1.00% [Change 0%]

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Note No 41: 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.

(Rupees in Lakhs)

Particulars	As at 31st-Mar-2024			As at 31st Mar 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	2,282.60		2,282.60	4,002.58		4,002.58
Bank Balance other than above	1,076.74	296.95	1,373.69	1,015.98	502.77	1,518.75
Trade receivables	1,732.20		1,732.20	1,834.47		1,834.47
Other receivables	224.69		224.69	349.58		349.58
Loans	3.02	809.83	812.85	8.76	803.85	812.61
Investments	-	1,87,661.10	1,87,661.10	-	1,41,998.90	1,41,998.90
Other financial assets	16,437.51	38.60	16,476.11	10,751.35	39.85	10,791.20
Total-Financial assets	21,756.76	1,88,806.48	2,10,563.24	17,962.72	1,43,345.37	1,61,308.09
Non-Financial assets						
Current Tax assets		1,291.22	1,291.22		1,379.81	1,379.81
Investment Property		6,371.10	6,371.10		6,651.46	6,651.46
Property, plant and equipment		6,665.53	6,665.53		2,528.15	2,528.15
Capital work-in-progress		-	-		-	-
Other Intangible assets		0.13	0.13		0.18	0.18
Other non-financial assets	981.07	107.96	1,089.03	405.53	108.95	514.48
Total-Non financial assets	981.07	14,435.94	15,417.01	405.53	10,668.55	11,074.08
Total Assets	22,737.83	2,03,242.42	2,25,980.25	18,368.25	1,54,013.92	1,72,382.17
Liabilities						
Financial Liabilities						
Trade payables	12.08	-	12.08	2.63	-	2.63
Other payables	15.37	-	15.37	19.15	-	19.15
Borrowings	17.85	-	17.85	68.75	-	68.75
Other financial liabilities	362.94	-	362.94	332.49	-	332.49
Total- Financial Liabilities	408.25	-	408.24	423.02	-	423.02
Non Financial Liabilities						
Provisions	342.15	6.19	348.34	284.76	6.61	291.37
Deferred tax liabilities	-	24,233.58	24,233.58	-	22,208.54	22,208.54
Other non financial liabilities	79.47	7.75	87.22	111.97	14.49	126.46
Total-Non Financial Liabilities	421.62	24,247.52	24,669.14	396.73	22,229.64	22,626.37
Total Liabilities	829.87	24,247.52	25,077.38	819.75	22,229.64	23,049.39

Note No: 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 2024 are as follows:

(Rupees in Lakhs)

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	2,282.60	2,282.60	-	-	-	-
Bank balance other than cash and cash equivalents above	-	-	1,373.69	1,373.69	-	-	-	-
Receivables								
(l) Trade receivables	-	-	1,732.20	1,732.20	-	-	-	-

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(II) Other receivables	-	-	224.69	224.69	-	-	-	-
Loans	-	-	812.85	812.85	-	-	-	-
Investments	34,787.22	1,49,373.13	3,500.75	1,87,661.10	1,70,917.92	4,489.29	8,753.14	1,84,160.35
Other financial assets	-	-	350.58	350.58	-	-	-	-
Total financial assets	34,787.22	1,49,373.13	10,277.36	1,94,437.71	1,70,917.92	4,489.29	8,753.14	1,84,160.35
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	-	-	12.08	12.08	-	-	-	-
(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	-	-	15.37	15.37	-	-	-	-
Borrowings (Other than debt securities)	-	-	17.85	17.85	-	-	-	-
Other financial liabilities	-	-	362.94	362.94	-	-	-	-
Total financial liabilities	-	-	408.24	408.24	-	-	-	-

The carrying value and fair value of financial instruments by categories as of March 31, 2023 are as follows:

(Rupees in Lakhs)

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	4,002.58	4,002.58	-	-	-	-
Bank balance other than cash and cash equivalents above	-	-	1,518.75	1,518.75	-	-	-	-
Receivables								
(I) Trade receivables	-	-	1,834.47	1,834.47	-	-	-	-
(II) Other receivables	-	-	349.58	349.58	-	-	-	-
Loans	-	-	812.61	812.61	-	-	-	-
Investments	-	1,38,498.15	3,500.75	1,41,998.90	1,32,576.10	3,000.83	2,921.22	1,38,498.15
Other financial assets	-	-	10,791.20	10,791.20	-	-	-	-
Total financial assets	-	1,38,498.15	22,809.94	1,61,308.09	1,32,576.10	3,000.83	2,921.22	1,38,498.15
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	-	-	2.63	2.63	-	-	-	-
(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	-	-	19.15	19.15	-	-	-	-
Borrowings (Other than debt securities)	-	-	68.75	68.75	-	-	-	-
Other financial liabilities	-	-	332.49	332.49	-	-	-	-
Total financial liabilities	-	-	423.02	423.02	-	-	-	-

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.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

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 - is based on NAV as per the latest financial figures of the respective company or price multiples of comparable companies or Price Quotation received from intermediaries dealing in unquoted shares.
- 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 No 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 therefore 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.

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 w.e.f. the financial year 2019-20.

a) Income Tax (expense)/credit recognised in Statement of Profit and Loss:

Particulars	For the Year ended 31st-March-2024	For the Year ended 31st-March-2023
Current tax (expense)/credit:		
1 Current tax for the year	(11,066.00)	(568.00)
2 Excess provision of tax relating to earlier years written back.	3.22	60.09
Total current tax (expense)/credit (A)	(11,062.78)	(507.91)
Deferred tax (expense)/credit:		
	4,970.37	393.76
Net deferred tax (expense)/credit (B)	4,970.37	393.76
Income tax (expense)/credit (net): (C = A+B)	(6,092.41)	(114.15)

(b) Income Tax (expense)/credit recognised through other comprehensive income:

Particulars	For the Year ended 31st-March-2024	For the Year ended 31st-March-2023
1 Remeasurement of defined benefit plan	(2.81)	5.82
2 Bonds / Debentures through Other Comprehensive Income	-	-
3 Equity instruments through other comprehensive income	(6,992.60)	6,757.06
Total	(6,995.41)	6,762.88

c) Reconciliation of estimated Income tax (expense)/credit reported in Statement of Profit and Loss:

Particulars	For the Year ended 31st-March-2024	For the Year ended 31st-March-2023
Profit / (loss) before tax	38,114.40	5,358.15
1 Expected income tax (expense)/credit at the applicable tax rates	(9,592.63)	(1,348.54)
Tax effect of adjustments to reconcile expected Income tax (expense)/credit at tax rate to reported income tax (expense)/credit		
2 Effect of non-deductible expenses	(172.96)	(119.32)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Particulars	For the Year ended 31st-March-2024	For the Year ended 31st-March-2023
3 Effect of differential tax rates and carried/brought forward losses	3,729.24	1,029.55
4 Excess provision of tax relating to earlier years written back.	3.22	60.09
5 Effect of income exempt from tax	238.82	265.62
6 Others	(298.10)	(1.55)
Income Tax (expenses)/credit reported in statement of profit and loss (1+2+3+4+5+6)	(6,092.41)	(114.15)

Note No 44: Shareholding of Promoters and Promoter Group

Shares held by Promoters (P) & Promoter Group (PG)			As at 31st-Mar-2024			As at 31st Mar 2023		
S. No	Promoter Name	Category ^(S)	No. of shares (in Nos)	% of Total shares ^(*)	% change during the year ^(#)	No. of shares (in Nos)	% of Total shares ^(*)	% change during the year ^(#)
1	VLS Capital Ltd.	PG	1,33,36,538	38.33	-	1,33,36,538	37.86	-
2	VLS Commodities Private Limited	PG	4,57,768	1.32	-	4,57,768	1.30	-
3	South Asian Enterprises Ltd	PG	1,500	0.00	-	1,500	0.00	-
4	Divya Mehrotra @	PG	5,41,393	1.56	-	5,41,393	1.54	-
5	Mahesh Prasad Mehrotra(HUF)	PG	19,84,262	5.70	-	19,84,262	5.63	-
6	Sadhana Mehrotra	PG	8,84,691	2.54	-	8,84,691	2.51	-
7	Vikas Mehrotra @	PG	4,85,783	1.40	-	4,85,783	1.38	-
8	Mahesh Prasad Mehrotra	P	1	0.00	-	1	0.00	-
	Total		1,76,91,936	50.84		1,76,91,936	50.22	

\$ Promoters = P, Promoter Group = PG

Percentage change has been computed considering the number of shares at the beginning of the year.

@ Mr. Vikas Mehrotra, passed away on 13th July 2023 and Ms Divya Mehrotra, passed away on 04-Jan-2024. Accordingly, both had ceased to be part of the Promoter and Promoter Group of the Company in accordance with Regulation 31A(6)(c) of the SEBI (LODR) Regulations, 2015. However, till the completion of Transmission of their shares in favour of their Nominee(s)/Legal Heir(s) their names will be shown under the Promoter and Promoter Group, and their shareholding will be shown against their name.

* % of shareholding increased as at 31st March 2024 due to buyback of equity shares during the financial year 2023-24 and consequent extinguishment of said equity share during the financial year 2023-24.

Note No 45: Ageing of Trade & Other Payables
Ageing of Trade Other Payables as on 31-03-2024

(Rupees in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i)MSME	-	-	-	-	-
(ii)Others	27.46	21.62	0.01	-	5.83
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Ageing of Trade Other Payables as on 31-03-2023

(Rupees in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i)MSME	-	-	-	-	-
(ii)Others	21.78	15.94	0.01	-	5.83
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended March 31, 2024
Note No 46: Ageing of Trade & Other Receivables
Ageing of Trade Receivables & Other Receivables as on 31.03.2024

(Rupees in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Total	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables & Other Receivables– considered good	1,956.89	1,789.44	166.96	0.24	0.01	0.24
(ii) Undisputed Trade Receivables & Other Receivables- significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables & Other Receivables- Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables & Other Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables & Other Receivables- significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables & Other Receivables- Credit impaired	-	-	-	-	-	-
(vii) Allowance for Expected credit losses	-	-	-	-	-	-
Total	1,956.89	1,789.44	166.96	0.24	0.01	0.24

Ageing of Trade Receivables & Other Receivables as on 31.03.2023

(Rupees in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Total	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables & Other Receivables– considered good	2,183.35	1,908.23	268.68	0.40	0.34	5.70
(ii) Undisputed Trade Receivables & Other Receivables- significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables & Other Receivables- Credit impaired	25.70	-	-	-	-	25.70
(iv) Disputed Trade receivables & Other Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables & Other Receivables- significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables & Other Receivables- Credit impaired	-	-	-	-	-	-
(vii) Allowance for Expected credit losses	(25.00)	-	-	-	-	(25.00)
Total	2,184.05	1,908.23	268.68	0.40	0.34	6.40

Note No 47: Loans or advances in the nature of loans as per additional regulatory disclosure of schedule III to Companies Act 2013.

As at 31.3.2024		
Type of Borrower	Amount of loan or advance in the nature of loan outstanding	% to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Party - Subsidiary *	9.64	1.17

As at 31.3.2023		
Type of Borrower	Amount of loan or advance in the nature of loan outstanding	% to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Party - Subsidiary *	9.60	1.17

* VLS Asset Management Limited

Note No 48: Relationship with Strike off Companies

SI. No.	NAME OF THE COMPANY	NATURE OF TRANSACTION										RELATIONSHIP (IF ANY)
		INVESTMENT IN SECURITIES OF SUCH COMPANY (Nos.)		RECEIVABLES (Amount)		PAYABLES (Amount)		SHARES HELD BY SUCH COMPANY * (in Nos.)		OTHER OUTSTANDING: UNPAID DIVIDEND (Amount Rupees in Lakhs)		
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	
1	Colocar Leasing & Finance P Ltd	-	-	-	-	-	-	600	600	0.04	0.04	NIL

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Sl. No.	NAME OF THE COMPANY	NATURE OF TRANSACTION										RELATIONSHIP (IF ANY)
		INVESTMENT IN SECURITIES OF SUCH COMPANY (Nos.)		RECEIVABLES (Amount)		PAYABLES (Amount)		SHARES HELD BY SUCH COMPANY * (in Nos.)		OTHER OUTSTANDING: UNPAID DIVIDEND (Amount Rupees in Lakhs)		
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	
2	Guru Rakha Investment Pvt Ltd	-	-	-	-	-	-	100	100	0.01	0.01	NIL
3	Lakshmi Fintrade Pvt Ltd (Shri Lakshmi Fintrade Private Limited)	-	-	-	-	-	-	600	600	0.04	0.04	NIL
4	Maneela Finance Investment Pvt Ltd (Maneela Finance And Investments Private Ltd)	-	-	-	-	-	-	600	600	0.05	0.04	NIL
5	Money Tree Plantation Pvt Ltd	-	-	-	-	-	-	1,200	1,200	0.09	0.08	NIL
6	Nav Trading And Investments Private Limited	-	-	-	-	-	-	3,600	3,600	0.28	0.24	NIL
7	Options Financial Services Ltd	-	-	-	-	-	-	600	600	0.05	0.04	NIL
8	Paavan Securities Pvt Ltd	-	-	-	-	-	-	400	400	0.03	0.03	NIL
9	Paradise Finstock Service Pvt Ltd	-	-	-	-	-	-	600	600	0.05	0.04	NIL
10	Rahat Holdings & Estates P Ltd	-	-	-	-	-	-	600	600	0.05	0.04	NIL
11	Siddhi Commodore Private Limited	-	-	-	-	-	-	400	400	0.03	0.03	NIL
12	BKG Securities Private Limited	-	-	-	-	-	-	300	-	-	-	NIL
13	Sis Share & Stock Br. Pvt Ltd (Guardian Share And Stock Brokers Private Ltd)	-	-	-	-	-	-	200	200	0.02	0.01	NIL
14	Sunshine Holdings P Ltd	-	-	-	-	-	-	9,300	9,300	0.63	0.52	NIL
15	Yashika Finlease And Holdings P Ltd	-	-	-	-	-	-	2,400	2,400	0.19	0.16	NIL
	Total	-	-	-	-	-	-	21,500	21,200	1.56	1.31	-

* In the financial years ended March 31, 2024 and March 31, 2023, the Company did not have any transaction with above equity shareholders, being the companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956. Our Company has not allotted any Equity share to the said companies. The shareholding data is as per the record of beneficiary position downloaded by the Registrar and Transfer Agent of the Company from the database maintained by the depositories and reported to us for the purpose of this disclosure.

Note No 49: Key Ratios
Part A

S No	Particulars	As at 31st-March-2024	As at 31st-March-2023
1	Capital to risk- weighted assets ratio	NA *	NA *
2	Tier I CRAR	NA *	NA *
3	Tier II CRAR	NA *	NA *
4	Liquidity Coverage Ratio	NA *	NA *

* Note: As the company is not registered with RBI as NBFC by virtue of exemption given by RBI, the above ratios are not applicable to the company.

Part B

S No	Particulars	As at 31st-March-2024			As at 31st-March-2023			% Change from previous period in Current Year	Reason for Change in Current Year (if Change > 25 %)
		Numerator (Rs. in Lakhs)	Denominator (Rs. in Lakhs)	Ratio	Numerator (Rs. in Lakhs)	Denominator (Rs. in Lakhs)	Ratio		
1	2	3	4	5 = 3 / 4	6	7	8 = 6 / 7	9 = (5 - 8) / 8	8
1	Return on equity (PAT / Equity) (%)	32,021.99	200,902.87	15.94	5,244.00	149,332.78	3.51	354.13	There is increase in the ratio due to increase in the Profit during the current year.
2	Return on Assets (PAT / Total Assets) (%)	32,021.99	225,980.25	14.17	5,244.00	172,382.17	3.04	366.12	There is increase in the ratio due to increase in the Profit during the current year.
3	Current Ratio (Cash, Bank, Receivables & Other Fin. Assets) / (Financial Liabilities) (times)	22,089.29	408.24	54.11	18,496.58	423.02	43.73	23.74	Within Limit

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Note No 50: Investment Property			
PARTICULARS	As at 31st-March-2024	As at 31st-March-2023	
(i) Investment in Property			
a) Balance at the beginning of the year [§]	6,651.46		70.94
b) Addition during the year [§]	6.17		6,580.52
c) Deduction during the year	(15.25)		-
d) Depreciation/Impairment for the year	(271.28)		-
e) Balance at the end of the year	6,371.10		6,651.46
§ Including Stamp Duty & Registration charges			
(ii) Fair value of Investment property *			
a) Building	843.31		852.76
b) Freehold Land	6,277.69		5,761.29
Total	7,121.00		6,614.05

* Pl. refer below mentioned foot note (iv) for Fair Value Hierarchy:

(iii) Amounts recognised in the statement of profit and loss in relation to investment Property:

a) Rental Income from investment property ^(#, @)	523.94		4.23
b) Direct operating expenses arising from investment property that generated rental income during the year	(37.19)		(0.07)
c) Direct operating expenses arising from investment property that did not generate rental income during the year	(0.23)		(0.21)
d) Profit from investment property before depreciation	486.52		3.95
e) Depreciation charged for the year	(271.28)		-
f) Profit from investment property after depreciation	215.24		3.95

Rental income recognised by the Company is included in , "Other income" as Rental income from Investment properties Pl. refer Note no: 25 - Other Income.

@ Rental Income from investment property includes Rs 10.34 Lakh (Previous Year 0.08 lakhs) as income, recognised on interest free security deposit received from lessee, as per relevant accounting standard.

(iv) Fair Value Hierarchy:

The fair values of the investment properties as mentioned in (ii) above as at 31-Mar-2024 is based on valuations performed by valuer Green Brick Valuers Pvt Ltd, an approved valuer from Insolvency and Bankruptcy Board of India (IBBI) - vide IBBI/RV/-E-2/2023/189. The valuation of land has been done by the valuer on the basis of market value of property considering the location, size of plot, civic amenities available near the land. Further valuation of building has been done as per depreciated CPWD rates.

(v) Leasing arrangements

Investment properties are leased out to tenants under operating lease. Disclosure of future rent receivable is included in Note No 51: Disclosure under Ind As 116 Lease.

(vi) Contractual obligations

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop the investment property. However, the responsibility for its repairs and maintenance is with the Company.

Note No 51: Disclosure under Ind As 116 Lease:
Leases
1 Company as a lessee:

The Company has taken premises on operating lease for the period which ranges from 11 months to 36 months with an option to renew the lease by mutual consent on mutually agreeable terms.

The Company has applied the exemptions not to recognise right-of-use assets and liabilities for lease with less than 12 months of term lease.

Information about leases for which the company is a lessee for more than 12 months are presented below:

(A) Right of use assets: #

Particulars	As at 31st-March-2024	As at 31st Mar 2023	
Opening balance	40.70		58.22
Movement during the year	-		3.23
Amortisation of Right-Of-Use (ROU) assets	(22.17)		(20.75)
Closing balance	18.53		40.70

Pl. refer note 11a.

(B) The movement in lease liabilities are as follows:

Particulars	As at 31st-Mar-2024	As at 31st Mar 2023
Opening balance	42.95	58.60
Additions	-	-
Amounts recognised in statement of profit & loss as Interest on lease liabilities in Finance Costs	3.48	5.32
Payment of lease liabilities	(25.41)	(24.20)
Adjustment on account of termination	-	-
Adjustment on account of modification	-	3.23
Closing balance	21.02	42.95

(C) Maturity analysis - Cashflows of Contractual maturities of lease liabilities:

Particulars	As at 31st-Mar-2024		
	Lease payments	Finance cost	Net present Value
Not later than one year	21.02	1.03	22.05
Later than one year and not later than five years	-	-	-
Later than five years	-	-	-
Total	21.02	1.03	22.05

Particulars	As at 31st Mar 2023		
	Lease payments	Finance cost	Net present Value
Not later than one year	21.93	3.48	25.41
Later than one year and not later than five years	21.02	1.03	22.05
Later than five years	-	-	-
Total	42.95	4.51	47.46

(D) Amount recognised in statement of profit & loss:

Particulars	Year ended 31-March-2024	Year Ended 31-Mar-2023
Interest cost on lease liabilities.	3.48	5.32
Amortization of Right of Use Assets.	22.17	20.75
Rental Expenses recorded for short-term lease payments and payments for leases of low-value assets not included in the measurement of the lease liabilities (included in other expense).	11.34	25.07

2 Company as a lessor:
(A) Lessor - Operating Lease:

The Company has leasing arrangements in respect of operating leases for its premises. The Company has entered into operating leases for its investment property and for other assets. These have lease terms of between 11 months to 36 months.

(B) Rental income as operating lease recognised in the statement of profit and loss is as follows:

Particulars	Year ended 31-March-2024	Year Ended 31-Mar-2023
Rental income from other assets *	75.70	37.97
Rental income from Investment properties *	523.94	4.23
Total	599.64	42.20

* Rental income recognised by the Company is included in "Other Income" (Pl. refer Note 25).

(C) Future minimum rentals receivable under operating leases are, as follows:

Particulars	As at 31st-Mar-2024	As at 31st Mar 2023
Not later than one year	599.00	539.00
Later than one year and not later than five years	346.00	751.00
Later than five years	-	-
Total	945.00	1,290.00

Note No: 52: Intangible Assets under Development Ageing Schedule

There are no intangible assets under development as on 31st March 2024 as well as 31st March 2023.

Note No 53: Subsequent events:

There were no significant events after the end of the reporting period which require any adjustment or disclosure in the financial statements other than as stated below:

- i) The Board of Directors at its meeting held on 28th May 2024 has proposed a final dividend of Rs. 1.50 per equity share plus special dividend of Rs 1.00 per equity share for the financial year ended 31-March 2024. Accordingly total proposed dividend for the financial year ended 31-March 2024, will be aggregate of the final dividend and special dividend amounting to Rs 2.50 per equity share. Thus, the total Dividend will be 25% on face value of Rs.10/- per equity share, subject to approval by the members of the Company at the forthcoming Annual General Meeting.

Pursuant to the Regulation 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the listing regulations, the Book Closure period for the purpose of payment of the dividend to be declared at the 37th AGM will be from September 21st, 2024, to September 28th, 2024 (both days inclusive).

The dividend, if approved, will be paid on or before 28th-October-2024 subject to deduction of tax at source as per the applicable rate(s), to the members whose name stand in the register of members on the date of closure of transfer books for this purpose.

Note No 54: Segment reporting:

The Company is primarily engaged in the single segment i.e., in the business of investment & Sale/Purchase of Shares/Securities & Derivatives. As such the Company's financial statements are largely reflective of the investment business. There are no separate reportable segments identified as per the Ind AS 108 - Operating segments. Further the Company does not have any reportable geographical segment. Hence segment-wise reporting has not been made.

Note No 55: Additional Regulatory disclosures.

- i) During the financial years ended March 31, 2024, and March 31, 2023, the company has not revalued its property, plant and Equipment.
- ii) All the lease agreements are executed in favor of the Company for properties where the Company is the lessee.
- iii) During the financial years ended March 31, 2024, and March 31, 2023, the company has not revalued its intangible assets.
- iv) The Company has been sanctioned working capital limits from Banks/financial institutions on the basis of security of Company's own fixed deposits. Therefore, during the financial years ending March 31, 2024, and March 31, 2023, the company is not required to file the Quarterly return/ statements of current assets with banks and financial institutions.
- v) The company has complied with the number of layers prescribed under clause (87) of section 2 of the act read with companies (Restriction on number of layers) rule 2017.
- vi) During the financial years ended March 31, 2024, and March 31, 2023, no Scheme of Arrangements related to the company has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- vii) Utilisation of Borrowed funds and share premium: -
- a. The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to any other person or entity, including foreign entity (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- i. directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- viii) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at March 31, 2024 and March 31, 2023.
- ix) The Company has not been declared willful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2024, and March 31, 2023.
- x) There is no creation or satisfaction of charges which are pending to be filed with ROC as at March 31, 2024 and March 31, 2023.
- xi) The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2024, and March 31, 2023.
- xii) The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). No previously unrecorded income and related assets have been recorded in the books of account during the year.
- xiii) The auditors have expressed an unmodified opinion on the standalone financial statements of the Company for the financial years ended March 31, 2024, and March 31, 2023.
- xiv) There are no items of income and expenditure of exceptional nature for the financial years ended March 31, 2024, and March 31, 2023.
- xv) The corporate governance report containing composition and category of directors, shareholding of non-executive directors is part of the annual report for the financial year ended March 31, 2024.

Note No 56: Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure and rounding off errors have been ignored.

Note No 57: The amounts reflected as " 0 " or " - " in the financial information are values with less than rupees five hundred or 0.

As per our report of even date attached
For Agiwal & Associates

Chartered Accountants
(FRN: 000181N)

CA P. C. Agiwal

Partner
Membership No. 080475

Place: New Delhi

Date: May 28th 2024

UDIN: 24080475BKFKZS2927

For and on behalf of the board
S.K. Agarwal

Managing Director
(DIN:00106763)

Keshav Tandan

Executive Director
(DIN: 10450801)

K.K. Soni

Director-Finance & CFO
(DIN: 00106037)

H. Consul

Company Secretary
M. No A-11183

VLS Securities Ltd.

Regd. Off: Ground Floor, 90, Okhla Industrial Estate, Phase – III, New Delhi–110020,
CIN: U74899DL1994PLC062123
E-mail: vlssec@vlssecurities.com, Ph: 011-4665 6666
Website: www.vlssecurities.com

Directors' Report

The Members,
VLS Securities Limited,

Your Directors are pleased to present the 30th Annual Report of your Company together with audited annual accounts for the year ended on 31st March, 2024.

Financial Summary

₹ in lakhs

Particulars	For the Financial Year ended	
	2023-24	2022-2023*
Revenue from Operations	712.88	634.79
Other Income	0.06	0.90
Less: Finance Cost	--	8.01
Less: Depreciation	0.44	0.38
Less: Other Expenses	325.18	286.45
Profit/(loss) before tax	387.32	340.85
Total Tax expenses / (credit)	97.24	91.44
Net Profit / (loss)	290.08	249.41
Total Comprehensive Income	(3,495.82)	(24,935.73)
Paid-up Equity Share Capital	3,000	3,000
Earnings per equity share (Rs.)	0.97	0.83

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

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 ('Act'), read with relevant Rules issued thereunder and in conformity with the accounting principles generally accepted in India.

Dividend /Reserves

In order to conserve resources, no dividend has been recommended during the year under review and profit after tax amounting Rs. 290.08 lakhs during the year, has been transferred to the other equity under the head Retained Earnings.

Capital Structure

There was no change in the Authorized and Paid-up Share Capital of the Company during the year under review.

The Authorized and Paid-up Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty Crore only) divided into 3,00,00,000 (Three Crore) Equity Shares of Rs.10/- (Rupees Ten) each.

Operations/State of Company's Affairs

Your Company earned brokerage of Rs. 309.66 lakhs during the year under review, as compared to Rs. 229.47 lakhs earned during the previous year.

The Company is a Trading and Clearing Member in cash segment of The National Stock Exchange of India Limited ('NSE') and also a Trading Member of NSE in Future & Option segment.

The Company has not undertaken any business related to merchant banking activities since more than a decade and there are no plans to take up any business in this area/ segment in future. However, the cost of periodic compliances and relevant fees would be incurred even if no activity has been undertaken. Therefore, to save financial costs besides resources engaged in relevant Compliances, the Board had decided by passing the unanimous resolution in its Board Meeting held on 23rd January 2024 to surrender their Certificate of Registration as Merchant Bankers no. MB/INM000000198 granted under Regulation 12 of Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. The process w.r.t. surrender of registration as a Merchant Bankers is in progress.

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-I** to this report.

Future Outlook

The aforementioned performance was the result of consistent efforts made by the Company in optimizing its broking operations. The management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

India has been the fastest-growing economy in the world, and this makes Indian stock markets attractive and an opportunity center for both domestic and international investors. The Indian equity market has consistently outperformed other asset classes on a long-term basis. The Company is optimistic that the markets will continue to show a positive trend in the upcoming years.

Directors/ Key Managerial Personnel

The Board presently comprises of 4 (Four) Directors with one Executive and one Independent Director. During the year under review, the Company has complied with the relevant provisions with respect to the constitution of the Board.

The following changes took place during the year under review.

1. Shri Aditya Kumar Bansal was appointed as Chief Financial Officer ('CFO') of the Company w.e.f. 15/06/2023.
2. Shri Vikas Mehrotra (DIN: 06476150) – Non-Executive Director of the Company left for his heavenly abode on 13/07/2023. Accordingly, he ceased to be Director of the Company and from the Committees of the Board w.e.f. same date.
3. At the 29th Annual General Meeting ('AGM') of the Company held on 16th September, 2023, re-appointment of Shri Kishan Kumar Soni (DIN: 00106037) and Ms. Divya Mehrotra (DIN: 00006494) as Director liable to retire by rotation were approved by the members.
4. Ms. Divya Mehrotra (DIN: 00006494) – Non-Executive Director of the Company left for her heavenly abode on 04/01/2024. Accordingly, she ceased to be Director of the Company w.e.f. same date.

The Board places on record its appreciation for Late Shri Vikas Mehrotra and Late Ms. Divya Mehrotra, for their valuable contribution during their respective tenure with the Company.

Pursuant to the provisions of Section 152 of the Act read with the Articles of Association of the Company Shri Tej Bhan Gupta (DIN: 00106181) shall be retiring by rotation at the ensuing 30th Annual General Meeting ('AGM') of your Company and being eligible, offer himself for re-appointment. Your directors recommend his reappointment in order to have his continued valuable directions, guidance and assistance in the conduct of the affairs of the Company.

Directors' Responsibility Statement

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

- a) in the preparation of annual accounts for the Financial Year ended 31st March 2024, the applicable accounting standards had been followed.
- b) 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.
- c) 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.
- d) the Directors had prepared the Annual Accounts for the Financial Year ended 31st March, 2024 on a going concern basis.
- e) 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 the 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.

Corporate Social Responsibility ('CSR')

The Company was covered under the threshold prescribed under the Act for CSR for the Financial Year 2022-23. The unspent CSR amount of Rs. 21,11,127/- (Rupees Twenty-One Lakh Eleven Thousand One Hundred Twenty-Seven only) for the financial year 2022-23 had been transferred to specified Bank Account titled 'VLS Securities Ltd. – Unspent Corporate Social Responsibility A/c' having A/c No. 50200080148462 with HDFC Bank on 20/04/2023 in compliance with the relevant provisions of the Companies Act, 2013 and would be spent on the ongoing project of Smt. Sunderdevi Memorial Charitable Trust ('SMCT'), PAN-AAATS4035P, for establishment of the Girl's School in Karnal District of Haryana in accordance with CSR Annual Action Plan approved by the Board vide Resolution by Circulation No. BRBC-5 of 2023 on 31/03/2023.

The Company had not received any request for the disbursement of funds from SMCT during the year under review.

Since the Company did not meet any of the criteria as stated in Section 135 of the Companies Act, 2013, for applicability of CSR in the year 2023-24, the said provisions were not applicable in the year 2023-24.

The report on CSR in prescribed format is enclosed as **Annexure-II**.

One of the criteria for applicability of CSR Provisions on a Company u/s 135 of Companies Act, 2013 is Net profit being Rs. 5 crore or more. The Net profit for the year under review with respect to the applicability of CSR provisions for the financial year 2024-25, is below the threshold requirement mentioned under Section 135(1) of the Act and the Company also does not meet other criteria for applicability of CSR provisions. Accordingly, compliance of CSR provisions is not mandatory on the Company for the financial year 2024-25.

Meetings of Board of Directors

During the year under review, 5 Board meetings were held on 11/05/2023, 15/06/2023, 08/08/2023, 23/10/2023 and 23/01/2024 respectively.

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 the period i.e. 01/04/2023 to 31/03/2024
1.	Shri Anoop Mishra	11/05/2023
		15/06/2023
		08/08/2023
		23/10/2023
		23/01/2024
2.	Shri Suresh Kumar Agarwal	11/05/2023
		15/06/2023
		08/08/2023
		23/10/2023
3.	Shri Kishan Kumar Soni	23/01/2024
		11/05/2023
		15/06/2023
		08/08/2023
		23/10/2023
4.	Shri Tej Bhan Gupta	23/01/2024
		11/05/2023
		15/06/2023
		08/08/2023
		23/10/2023

S. No.	Name of the Director	No. of meetings attended during the period i.e. 01/04/2023 to 31/03/2024
5.	Ms. Divya Mehrotra*	11/05/2023
		08/08/2023
		23/10/2023
6.	Shri Vikas Mehrotra**	11/05/2023
		15/06/2023

* Ms. Divya Mehrotra - Non-Executive Director of the Company, left for her heavenly abode on 04/01/2024. Accordingly, she ceased to be Director of the Company w.e.f. same date.

** Shri Vikas Mehrotra - Non-Executive Director of the Company, left for his heavenly abode on 13/07/2023. Accordingly, he ceased to be Director of the Company and from the Committees of the Board w.e.f. same date.

Audit Committee

During the year under review, 2 meetings of the Audit Committee were held on 11/05/2023, and 15/06/2023. The Audit Committee in its meeting held on 11/05/2023 had elected Shri Anoop Mishra as Chairman of Committee post resignation of Dr. R. L. Bishnoi. Further, the Board nominated Shri Vikas Mehrotra as member of the Committee in its meeting held on 11/05/2023. The Audit Committee consisted of Shri Anoop Mishra - Independent Director, Shri Kishan Kumar Soni and Shri Vikas Mehrotra – Directors of the Company. Shri Vikas Mehrotra left for his heavenly abode on 13/07/2023. Accordingly, he ceased to be Director of the Company and Member of the Committee with effect from the same date.

In accordance with the Rule 4(1) of Companies (Appointment and Qualification of Directors) Rules, 2014 read with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors of every public company having paid up share capital of ten crore rupees or more or having turnover of one hundred crore rupees or more or in aggregate, having outstanding loans, debentures and deposits, exceeding fifty crore rupees would constitute an 'Audit Committee' of the Board. However, as per the Rule 4(2) of Companies (Appointment and Qualification of Directors) Rules, 2014, it is prescribed that an unlisted Public Company being a joint venture or wholly owned subsidiary, or a Dormant Company under Section 455 of the Act would not be covered under sub-rule (1) of Rule 4. The constitution of Audit Committee was, therefore, not applicable on the Company being a wholly owned Subsidiary of VLS Finance Limited and after taking reference to the aforesaid provision of the Companies Act, 2013 and rules made thereunder, the Board in its meeting held on 08/08/2023 passed the resolution to disband the Audit Committee with immediate effect.

All the recommendations made by the Committee during the year under review 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 the year i.e. 01/04/2023 to 31/03/2024
1.	Shri Anoop Mishra*	Chairman	2
			11/05/2023
2.	Shri Kishan Kumar Soni	Member	2
			15/06/2023
3.	Shri Vikas Mehrotra**	Member	1

* Shri Anoop Mishra - Independent Director of the Company elected as a Chairman of the Committee in its meeting held on 11/05/2023.

** Shri Vikas Mehrotra - Director of the Company nominated in the Committee by the Board in its meeting held on 11/05/2023. However, he left for his heavenly abode on 13/07/2023. Accordingly, he ceased to be Director of the Company and Member of the Committee with effect from the same date.

Nomination and Remuneration Committee

During the year under review, 2 meetings of the Nomination and Remuneration Committee ('NRC') were held on 11/05/2023 and 15/06/2023. The Nomination and Remuneration Committee consisted of Shri Anoop Mishra - Independent Director, Shri Kishan Kumar Soni and Shri Vikas Mehrotra – Directors of the Company with Shri Kishan Kumar Soni as Chairman of the Committee. Shri Vikas Mehrotra left for his heavenly abode on 13/07/2023. Accordingly, he ceased to be Director of the Company and Member of the Committee with effect from the same date.

In accordance with the Rule 4(1) of Companies (Appointment and Qualification of Directors) Rules, 2014 read with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors of every public company having paid up share capital of ten crore rupees or more or having turnover of one hundred crore rupees or more or in aggregate, having outstanding loans, debentures and deposits, exceeding fifty crore rupees would constitute 'Nomination and Remuneration Committee' of the Board. However, as per the Rule 4(2) of Companies (Appointment and Qualification of Directors) Rules, 2014, it is prescribed that an unlisted Public Company being a joint venture or wholly owned subsidiary, or a Dormant Company under Section 455 of the Act would not be covered under sub-rule (1) of Rule 4. The constitution of Nomination and Remuneration Committee was, therefore, not applicable on the Company being a wholly owned Subsidiary of VLS Finance Limited and after taking reference to the aforesaid provision of the Companies Act, 2013 and rules made thereunder, the Board in its meeting held on 08/08/2023 passed the resolution to disband the Nomination and Remuneration Committee with immediate effect.

All the recommendations made by the Committee during the year under review were accepted by the Board in entirety.

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

S. No.	Name	Chairman / Member	No. of meetings attended during the year i.e. 01/04/2023 to 31/03/2024
1.	Shri Kishan Kumar Soni	Chairman	2
			11/05/2023 15/06/2023
2.	Shri Anoop Mishra	Member	2
			11/05/2023 15/06/2023
3.	Shri Vikas Mehrotra*	Member	1 15/06/2023

* Shri Vikas Mehrotra - Director of the Company left for his heavenly abode on 13/07/2023. Accordingly, he ceased to be Director of the Company and Member of the Committee with effect from the same date.

Corporate and Social Responsibility Committee

Although, the constitution of Corporate and Social Responsibility Committee ('CSR Committee') was not compulsory because the outlay for CSR Expenditure for the year 2022-23 was less than Rs. 50 Lakhs. However, as per the second proviso to Rule 3 of Companies (Corporate Social Responsibility Policy) Rules, 2014 {*Inserted by Companies (Corporate Social Responsibility Policy) Amendment Rules, 2022 w.e.f. 20/09/2022*}, a Company having any amount in its Unspent Corporate Social Responsibility Account as per sub-section (6) of Section 135 shall constitute a CSR Committee and comply with the provisions contained in sub-section (2) to (6) of the said Section. The Board, therefore, in its meeting dated 23/01/2024 had constituted the CSR Committee with Shri Anoop Mishra - Independent Director, Shri Kishan Kumar Soni and Shri T. B. Gupta – Directors of the Company as a members of the Committee. Shri Anoop Mishra was elected as a Chairman of the Committee.

During the year under review, 1 meeting of the CSR Committee was held on 29/03/2024.

Details of meeting attended by the CSR Committees' Members in the relevant year are as below:

S. No.	Name	Chairman / Member	No. of meeting attended during the year i.e. 01/04/2023 to 31/03/2024	
1.	Shri Anoop Mishra	Chairman	1	29/03/2024
2.	Shri Kishan Kumar Soni	Member	1	29/03/2024
3.	Shri T. B. Gupta	Member	1	29/03/2024

Further, for the year 2023-24 the provisions of CSR are not applicable on the Company.

Board Evaluation

The aim of the Board's evaluation is 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. As per the provisions of the Companies Act, 2013 and rules made thereunder, the Board carried out annual evaluation of each Director's performance including of Chairman of the Board, the Board as a whole and its committees, in its meeting held on 20/05/2024.

The overall evaluation concluded that the Directors, Board and its Committees were effective in the governance of the Company.

Independent Directors

Your Company has one Independent Director, namely Shri Anoop Mishra (DIN: 02849054). He has confirmed to the Company that he continues to meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

Further, due to having only one Independent Director on the Board, the meeting of Independent Directors was not convened in the last financial year i.e. 2023-24. The evaluation of the Chairman of the Company was, however, carried out in the meeting of Board of Directors held on 20/05/2024.

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 was headed by the Woman Director on the Board of the Holding Company during the year under review. Post cessation of Woman Director, the position is vacant because at present, no woman employee is in employment with the Company. The Management is actively considering the measures for filling the said position.

There were no complaints received from any employee or otherwise during the year under review and no complaints were pending as on 31/03/2024.

Annual Return Extract (MGT-9)

The reporting of extract of Annual Return in Form No. MGT-9 had been done away with pursuant to amendment in Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 w.e.f. 28/08/2020. The electronic copy of the latest Annual Return is now required to be placed on the website of the Company, if any, in terms of Section 92(3) read with Section 134(3)(a) of the Act and the link thereof is required to be given in the Board's Report.

The Annual Return for the F. Y. 2022-23 is available on the website of the Company at https://www.vlssecurities.com/annual_report.htm.

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.

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 Limited
b)	Nature of relationship	Holding Company
c)	Nature of contracts/ arrangements/ transactions	1. Client for stock trading 2. Usage of Office Services
d)	Duration of the contracts / arrangements/ transactions	1. Perpetual unless rescinded 2. Month to Month basis
e)	Salient terms of the contracts or arrangements or transactions	1. As per stock Exchange regulations 2. Reimbursement of expenses for services.
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 the Companies Act, 2013.
h)	Amount paid during the year	Please refer note no. 29 of notes forming part of financial statements for details.

Please also refer to note no. 29 of Annual Report for the year 2023-24 for disclosures under 'Related Party'.

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 Board in its meeting held on 08/08/2023 passed the resolution to disband the Nomination and Remuneration Committee by availing exemption under Rule 4(2) of Companies (Appointment and Qualification of Directors) Rules, 2014, as the constitution of the Committee was not applicable on the Company being a wholly owned Subsidiary of VLS Finance Limited. The Board is now saddled with responsibility for identifying people who are qualified to become Directors and who may be appointed to the Senior Management of the Company in accordance with Nomination and Remuneration Policy of Company. This Policy is intended to provide more detailed criteria to be followed for such appointments including training for Independent Directors and the policy can be accessed at www.vlssecurities.com.

Corporate and Social Responsibility ('CSR') Policy

The CSR Policy along with the CSR Annual Action Plan for the Financial Year 2022-23 can be accessed at www.vlssecurities.com.

Auditors

In terms of Section 139 of the Companies Act, 2013 ('the Act') read with Companies (Audit and Auditors) Rules, 2014 M/s. Anil Pariek & Garg- Chartered Accountants, (FRN: 001676C) had been appointed for the second term as Statutory Auditors for a period of 5 years i.e. till the conclusion of 33rd Annual General Meeting of the Company to be held in the year 2027. The remuneration of the Auditors is determined by the Board of Directors of the Company according to the resolution passed in the 28th Annual General Meeting authorizing the 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.

In terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which was applicable on VLS Finance Limited ('the holding company'), VLS Securities Limited ('the Company') was identified as material subsidiary of the holding Company for the financial year 2023-24 on the basis of its financial statement for the year ended 31st March 2023 because net worth of the Company exceeded 10% of the consolidated net worth respectively of VLS Finance Limited, though the income criteria is not fulfilled for that period.

Accordingly, the Secretarial Audit Report for the year under review was mandated in terms of the aforesaid regulation. The Board in its meeting held on 23/10/2023 had appointed M/s. A. Aggarwal and Associates, Company Secretaries (COP: 7467) as Secretarial Auditor of the Company for the financial year 2023-24.

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. Further the Auditors have not reported any fraud in terms of Section 143(12) of the Companies Act, 2013 to the Board for the year under review.

The Secretarial Audit Report for the year 2023-24 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-III**. The said report does not contain any adverse remark(s) or observation(s) by the Secretarial Auditor.

Holding/ Subsidiary/ Associate Companies

- The Company became a wholly owned subsidiary of VLS Finance Limited w.e.f. 1st September 2021.

The financial statement of VLS Capital Limited which became an Associate in terms of Section 2(6) of the Companies Act, 2013 will be consolidated with that of VLS Finance Limited, being the holding Company, in terms of exemption availed under Rule 6 of the Companies

(Accounts) Rules, 2014 with respect to consolidation of annual accounts of the associate with the Company.

- 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 Meetings, 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

- None of the employees of the Company are in receipt of remuneration in excess of limits specified in Section 197(12) of the Companies Act, 2013 read with Rule 5 of 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) 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.
- No loan, guarantee or security in connection with a loan has been provided in terms of Section 186 of the Companies Act, 2013 during the year under review.
- Further, with regard to disclosure on investments made, since the Company's principal business is stock broking and investing in securities, the Company is exempt under the provisions of Section 186(11)(b)(i) of the Companies Act, 2013.
- Your Company has not issued any equity shares with differential voting rights or under ESOP in terms of Sections 43(a) and 62(1)(b) of the Companies Act, 2013.
- Your Company has not approved any scheme relating to the 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.
- No revision of Financial Statements or Board's Report has been made in terms of Section 131(1) of the Companies Act, 2013.
- No Independent Director has 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 Limited - the holding Company and receives remuneration from the holding Company in terms of Section 197(14) of the Companies Act, 2013.
- There has been no change in the nature of business and name of the Company during the year under review.
- There have 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. Further, there were no material changes or commitments affecting the financial position of the Company, occurred between the year under review and the date of this report.
- During the year under review, there was no one-time settlement with Bank/ Financial Institutions and the provisions relating to Secretarial Audit and Cost Audit are not applicable to the Company.

- Neither any application has been made nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review. Further, no loan from Bank or Financial Institution was obtained in the said period and therefore, the provision relating to disclosure of variation in valuation in terms of Rule 8 (5) (XII) of Companies (Accounts) Rules, 2014 is not applicable to the Company for the year under review.
- In the annual financial statements for the year under review, the disclosures of those items where amount for the year under review and corresponding previous year was Nil had been dispensed with, though required to be disclosed under applicable regulations.

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 8 (Eight) as on 31/03/2024.

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 Limited, the regulatory authorities, clients, bankers and associates.

**For and on behalf of the Board of Directors
For VLS Securities Limited**

Place: New Delhi	S. K. Agarwal	K. K. Soni
Date: 20/05/2024	Managing Director	Director
	DIN: 00106763	DIN: 00106037

Annexure-I

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, 2024.

CONSERVATION OF ENERGY

a)	Energy conservation measure taken	:	Nil
b)	Proposals under implementation for reduction in consumption of energy or utilizing alternative sources of energy	:	Nil
c)	Capital investment on energy conservation equipments	:	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
For VLS Securities Limited**

Place: New Delhi	S. K. Agarwal	K. K. Soni
Date: 20/05/2024	Managing Director	Director
	DIN: 00106763	DIN: 00106037

ANNUAL REPORT ON CSR ACTIVITIES

1.	Brief outline on CSR Policy of the Company	The CSR policy of the Company has been formulated and adopted in accordance with Section 135 and Schedule VII of the Companies Act, 2013 and rules made thereunder. The Company may undertake any CSR project in accordance with the CSR policy of the Company subject to requisite approvals. The majority of CSR projects undertaken by Company in the past were for promoting education and healthcare.
2.	Composition of CSR Committee	1. Shri Anoop Mishra – Chairman 2. Shri Kishan Kumar Soni – Member 3. Shri Tej Bhan Gupta - Member
3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	www.vlssecurities.com
4.	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	Not applicable
5.	(a) Average net profit of the Company as per Section 135 (5) (b) Two percent of average net profit of the Company as per section 135 (5) (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years (d) Amount required to be set off for the financial year if any (e) Total CSR obligation for the financial year (b+c-e)	Not applicable
6.	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) (b) Amount spent in Administrative Overheads. (c) Amount spent on Impact Assessment, if applicable (d) Total amount spent for the Financial Year [(a)+(b)+(c)] (e) CSR amount spent or unspent for the Financial Year	Not applicable

Total Amount Spent for the Financial Year (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	Not applicable				

(f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (Rs.)
(i)	Two percent of average net profit of the company as per Section 135(5) (Net)	--
(ii)	Total amount spent for the financial year	--
(iii)	Excess amount spent for the financial year [(ii)-(i)]	--
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	--
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	--

7. Details of Unspent CSR amount for the preceding three financial years:

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under Section 135(6) (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a fund as specified under Schedule VII as per second proviso to Section 135(5), if any.		Amount remaining to be spent in succeeding financial years (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of transfer		
1	2022-23	21,11,127.00/-	21,11,127.00/-	NIL	--	--	21,11,127.00/-	--

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year No
If yes, enter the number of Capital assets created/ acquired Not Applicable

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent - (in Rs.)	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not applicable							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5) NA

FORM MR – 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
VLS Securities Limited,
Ground Floor, 90, Okhla Industrial Estate, Phase-III,
New Delhi-110020

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

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by it and also the 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 **March 31, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of: -

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- (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; *(No transaction during the financial 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; *(Not applicable during the financial year under review)*
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; *(Applicable to the extent of being insider since VLS Finance Limited, the Holding Company, is client in Stock Broking operations of the Company)*
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; *(Not applicable during the financial year under review)*
 - (d) The Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations) 2021; *(Not applicable during the financial year under review)*
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. *(Not applicable during the financial 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 financial year under review)*
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; *(Not applicable to the Company during the financial year under review)*
 - (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) The Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992;
- (vi) The Company had properly complied with the other laws viz. Income tax Act 1961 and other applicable Tax Laws; Prevention of Money Laundering Act, 2002 and rules made thereunder; Labour Laws; Local Revenue 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, 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.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. The Company had filed requisite forms, applications and returns with the Registrar of Companies, Stock Exchange and SEBI in time except in the following instances in which there had been delay in submission or fines were levied during the period under review:

S. No.	Particulars	Action by Exchange
1.	Incorrect reporting in the data uploaded by the Company w.r.t Client Level Holding Statement, Cash & Cash Equivalent Balances and Bank Account Balances on a weekly basis.	Date of Action: 28/04/2023 Fine Amount: Rs. 1,00,000
2.	Incorrect reporting in the data uploaded by the Company w.r.t Client Level Holding Statement, Cash & Cash Equivalent Balances and Bank Account Balances on a weekly basis.	Date of Action: 01/06/2023 Fine Amount: Rs. 1,00,000
3.	Fine for delay (by one day) in submission of Internal Audit Report for the period 01/10/2022 to 31/03/2023 under SEBI (Stock brokers) Regulations, 1992.	Date of Action: 15/06/2023 Fine Amount: Rs. 2,500
4.	Fine for delay (by one day) in submission of Cyber Security Audit Report under SEBI (Stock brokers) Regulations, 1992	Date of Action: 16/08/2023 Fine Amount: Rs. 2,500

In each of the above cases, the submissions were made by the Company. However, the Stock Exchange turned down the submissions and levied the fine. These fines had been auto deducted by the Stock Exchange and the Company has since taken measures to avoid a recurrence of such events.

Other than the above, no action was initiated against the entity / its promoters / Directors either by SEBI or by Stock Exchanges 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 a proper balance of Executive Directors, Non-Executive Directors and Independent Director. 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 were given to all the Directors of the Company 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, the fact of calling Meeting at shorter notice and consent of Directors for the same was duly recorded in the Minutes. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation of the Directors at the meetings.

Majority decisions are carried through while dissenting Members' view are captured and recorded as part of the Minutes.

I further report that the Company is an unlisted Company having Membership of The National Stock Exchange of India Limited. The Company is in the process of surrendering its registration as Merchant Bankers.

Further, on the basis of my examination of records and explanations given to me, I am of the opinion that the Company is in compliance 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 which 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, no specific events / actions or events having major bearing on the affairs of the Company pursuant to above referred Laws, Rules, Regulations, Guidelines and Standards has taken place.

Ashutosh Aggarwal
M/s. A Aggarwal and Associates
Company Secretaries
ACS 9972 CP No. 7467
P.R. CERTIFICATE NO. 1097/2021
UDIN: A009972F000359519

Place: New Delhi
Date: 13/05/2024

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

Annexure I

To,
The Members,
VLS Securities Limited,
Ground Floor, 90, Okhla Industrial Estate, Phase-III,
New Delhi-110020

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 the 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 a 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 the 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 a test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Ashutosh Aggarwal
M/s. A Aggarwal and Associates
Company Secretaries
ACS 9972 CP No. 7467
P.R. CERTIFICATE NO. 1097/2021
UDIN: A009972F000359519

Place: New Delhi
Date: 13/05/2024

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 March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows 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 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, 2024 and its **profit**, total comprehensive loss, changes in equity and its cash flows 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 ("SA's") specified under section 143(10) of the Act. 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 ethical 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the 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 including Annexures to Board's Report, 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 Responsibilities 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, 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 is also responsible for overseeing the Company's financial reporting process.

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 control 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 the 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 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 Changes in Equity and the Statement of Cash Flows 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 Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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) 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:

As the Company has not paid any Managerial Remuneration to its directors, the provisions of section 197 relating to managerial remuneration are not applicable; and
 - h) 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;
 - i) 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.
 - 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, as amended, 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.
 - iv. a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign

- entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not paid any dividends during the year.
- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
- For ANIL PARIEK & GARG
CHARTERED ACCOUNTANTS
FRN: 01676C
- H.K.PARIEK
(PARTNER)
M. NO.: 070250
- PLACE: KANPUR
DATE: 20/05/2024
UDIN: 24070250BKDHYZ8444

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)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment:
- a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets. All the Property, Plant & Equipment have been physically verified by the management at reasonable intervals of time.
- b) According to the information and explanations given to us, the company does not have any immovable properties. Hence, our reporting under clause (3)(i)(c) of the Order is not applicable.
- c) The Company has not revalued any of its Property, Plant and Equipment during the year.
- d) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. a) The Company does not have any inventory and hence, reporting under clause 3(ii) (a) of the Order is not applicable.
- b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence, reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. During the year, the Company has made investments in, provided security to Companies, and granted unsecured loans to its employees. The Company has not made investments in Firms and Limited Liability Partnerships during the year. Further the Company has not provided any guarantee or granted any advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties. With respect to such investments, security, and loans:
- a) The company has provided loans to its employees during the year.
- (A) The company has not provided any loan to its subsidiaries, joint ventures and associates;
- (B) Aggregate amount of Rs.4,77,899/- has been paid to employees out of which Rs.1,11,250/- is outstanding as at Balance Sheet date.
- b) In our opinion the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest has been regular as per stipulation.
- d) According to the information and explanations given to us in respect of loans granted during the year, there is no overdue amount for more than ninety days as at the Balance Sheet date.
- e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) In our opinion and according to the information and explanations given to us, Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable. Further, the company has not granted loans to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 which are either repayable on demand or without specifying any terms or period of repayment during the year.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

- vii. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
- b) According to the information and explanations given to us, there are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess or any other statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence, reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) The Company has not raised any short-term funds during the year. Hence, reporting under clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanation given to us and on an overall examination of the standalone financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its associate. The company does not have any subsidiary or joint venture.
- (f) According to the information and explanation given to us and procedures performed by us, we report that the company has not raised any loans during the year on the pledge of securities held in its associate companies. The company does not have any subsidiary or joint venture.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence, reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xii. The Company is not a Nidhi Company and hence, reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) In our opinion and based on our examination, the company is not required to have an internal audit system as per provisions of the Companies Act 2013.
- xv. In our opinion, during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion and according to the explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, the company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) In our opinion, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) The Group does not have a Core Investment Company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, our reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. a) As per the information given and records presented by the management of the Company, the provisions of section 135 of the Act are not applicable to the Company for the current accounting year. The Company has no unspent amounts in respect of earlier years of other than ongoing projects, which is required to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months from the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. This matter has been disclosed in note 40 to the Financial Statements.
- b) As per the information given and records presented by the management of the Company, all the amounts that are unspent in respect of earlier years under Sub Section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to a special bank account within a period of thirty days from the end of the financial

year in compliance of provisions of sub section (6) of Section 135 of the said Act is given below. This matter has also been disclosed in note 40 to the Financial Statements.

c)

Financial year	Amount unspent on Corporate Social Responsibility activities for "Ongoing Projects"	Amount Transferred to Special Account within 30 days from the end of the Financial Year	Amount Transferred after the due date.
(a)	(b)	(c)	(d)
2022-23	21.11	21.11	Not applicable.

xxi The reporting under clause 3(xxii) of the order is not applicable in respect of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For ANIL PARIK & GARG
CHARTERED ACCOUNTANTS
FRN: 01676C

H.K.PARIK
(PARTNER)
M. NO.: 070250

PLACE: KANPUR
DATE: 20/05/2024
UDIN: 24070250BKDHYZ8444

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S 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 (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 Securities Limited (the "Company") as of March 31, 2024, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management 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 (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 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 March 31, 2024, based on the criteria for internal financial control over financial reporting 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 ICAI.

For ANIL PARIK & GARG
CHARTERED ACCOUNTANTS
FRN: 01676C

PLACE: KANPUR
DATE: 20/05/2024
UDIN: 24070250BKDHYZ8444

H.K.PARIK
(PARTNER)
M. NO.: 070250

Balance Sheet as at 31st March, 2024

		(₹ in lakhs)	
Particulars	Note No.	As at 31st March 2024 (Audited)	As at 31st March 2023 (Audited)
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	4 (a)	628.11	445.29
(b) Bank Balance other than (a) above	4 (b)	21.11	-
(c) Receivables	5	-	-
(I) Trade Receivables		-	-
(II) Other Receivables		-	-
(d) Loans	6	1.11	1.81
(e) Investments	7	1,39,377.03	1,44,437.24
(f) Other Financial assets	8	565.22	482.81
Sub - total financial assets (A)		1,40,592.58	1,45,367.15
(2) Non-financial Assets			
(a) Current tax assets	9	17.29	11.01
(b) Property, Plant and Equipment	10	1.17	0.58
(c) Other Intangible assets		0.00	0.00
(d) Other non-financial assets	11	9.07	11.47
Sub - total non - financial assets (B)		27.53	23.06
Total Assets(A+B)		1,40,620.11	1,45,390.21
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables			
(I) Trade Payables	12		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		104.65	106.86
(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		14.54	14.37
(b) Other financial liabilities		-	-
Sub - total financial liabilities (A)		119.19	121.23
(2) Non-Financial Liabilities			
(a) Current tax liabilities (net)		-	-
(b) Provisions	13	52.81	48.39
(c) Deferred tax liabilities (Net)	14	31,816.95	33,091.83
(d) Other non-financial liabilities	15	10.66	12.42
Sub - total non - financial liabilities (B)		31,880.42	33,152.64
(3) EQUITY			
(a) Equity Share capital	16	3,000.00	3,000.00
(b) Other Equity	17	1,05,620.50	1,09,116.34
Sub - total equity (C)		1,08,620.50	1,12,116.34
Total Liabilities and Equity(A+B+C)		1,40,620.11	1,45,390.21

The notes referred to above are an integral part of these financial statements

1 to 42

As per our report of even date attached

For Anil Pariek and Garg

(F.R.N.001676C)

Chartered Accountants

H. K. Pariek

(Partner)

Membership No. 070250

UDIN: 24070250BKDHYZ8444

For and on behalf of the Board
S. K. Agarwal

Managing Director

DIN:00106763

K. K. Soni

Director

DIN:00106037

A. K. Bansal

Chief Financial Officer

Vishesh Jain

Company Secretary

M.No.: A68586

Place: Kanpur

Date: 20/05/2024

Place: New Delhi

Date: 20/05/2024

Statement of Profit and Loss for the year ended 31st March, 2024

		(₹ in lakhs)		
	Particulars	Note No.	For the year ended 31st March 2024 (Audited)	For the year ended 31st March 2023 (Audited)
1	Revenue from operations			
(i)	Interest Income	18	13.29	7.16
(ii)	Dividend Income	19	389.86	389.86
(iii)	Fees and commission Income	20		
	Brokerage and fees income		309.66	229.47
(iv)	Net gain on fair value changes	21	0.07	8.30
(1)	Total Revenue from operations		712.88	634.79
(2)	Other Income	22	0.06	0.90
(3)	Total Income (1+2)		712.94	635.69
	Expenses			
(i)	Finance Costs	23	-	8.01
(ii)	Fees and commission expense	24	128.00	83.77
(iii)	Employee benefits expense	25	138.92	128.21
(iv)	Depreciation, amortization and impairment	26	0.44	0.38
(v)	Others expenses	27	58.26	74.47
(4)	Total Expenses (4)		325.62	294.84
(5)	Profit / (loss) before exceptional items and tax (3-4)		387.32	340.85
(6)	Exceptional items		-	-
(7)	Profit / (loss) before tax (5-6)		387.32	340.85
(8)	Tax expense / (credit):	39		
(i)	Current tax		98.78	90.60
(ii)	Deferred tax expense / (credit)		(1.54)	0.84
	Total tax expenses		97.24	91.44
(9)	Profit / (loss) for the period from continuing operations(7-8)		290.08	249.41
(10)	Profit/(loss) for the period (9)		290.08	249.41
(11)	Other comprehensive income / (loss)			
A	(i) Items that will not be reclassified subsequently to the profit or loss			
	(a) Remeasurement of defined employee benefit plans		0.94	(6.14)
	(b) Net changes in fair values of investments in equity shares carried at fair value through OCI		(5,060.19)	(33,649.43)
	(ii) Income tax on items that will not be reclassified subsequently to the profit or loss		1,273.35	8,470.43
B	(i) Items that will be reclassified subsequently to the profit or loss		-	-
	(ii) Income tax on items that will be reclassified subsequently to the profit or loss		-	-
(12)	Other comprehensive income / (loss) (A+B)		(3,785.90)	(25,185.14)
(13)	Total comprehensive income for the period (10 +11)		(3,495.82)	(24,935.73)
	Earnings per equity share (for continuing operations)	28		
	Basic (Rs.)		0.97	0.83
	Diluted (Rs.)		0.97	0.83

The notes referred to above are an integral part of these financial statements

1 to 42

As per our report of even date attached

For Anil Pariek and Garg

(F.R.N.001676C)

Chartered Accountants

H. K. Pariek

(Partner)

Membership No. 070250

UDIN: 24070250BKDHYZ8444

For and on behalf of the Board

S. K. Agarwal

Managing Director

DIN:00106763

K. K. Soni

Director

DIN:00106037

A. K. Bansal

Chief Financial Officer

Vishesh Jain

Company Secretary

M.No.: A68586

Place: Kanpur

Date: 20/05/2024

Place: New Delhi

Date: 20/05/2024

Cash Flow Statement for the year ended 31st March, 2024

(₹ in lakhs)

Particulars	For the year ended 31st March 2024 (Audited)	For the year ended 31st March 2023 (Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	387.32	340.85
Adjustment for:		
Depreciation	0.44	0.38
Interest Income	(588.11)	(7.16)
Dividend Income	(389.86)	(389.86)
Actuarial gain / (loss) on Defined Employee Benefits	0.94	(6.14)
Provision for Employee Benefits	4.42	4.12
Provision for unspent expenditure on Corporate Social Responsibility	-	21.11
	(972.17)	(377.55)
Operating profit	(584.85)	(36.70)
Adjustment for working capital changes		
1) Increase / (decrease) in borrowings	-	-
2) Increase / (decrease) in other financial liabilities	-	-
3) Increase / (decrease) in trade payables	(2.03)	(532.12)
4) (Increase) / decrease in loans	0.69	2.87
5) Increase / (decrease) in debt securities	-	-
6) (Increase) / decrease in other non financial liabilities	(1.76)	0.26
7) (Increase) / decrease in other financial assets	(82.40)	219.63
8) (Increase) / decrease in other non financial assets	2.40	5.83
9) (Increase) / decrease in trade receivables	-	-
10) Change in Other Bank Balance	(21.11)	-
11) (Increase) / decrease in current tax assets	-	-
Cash generated / (used) from operations	(689.06)	(340.23)
Direct taxes paid net	105.06	63.40
Net cash generated / (used) from operating activities (A)	(794.12)	(403.63)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipment	(1.03)	-
Sale of Property, plant and equipment	-	0.30
Interest received on fixed deposits	588.11	7.16
Dividend Income	389.86	389.86
Net cash generated / (used) from investing activities (B)	976.94	397.32
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)	182.82	(6.31)
cash and cash equivalents as at beginning of the year	445.29	451.60
Cash and cash equivalents as at end of the year :	628.11	445.29
Cash in hand	0.16	0.14
Scheduled bank - In current account	7.95	90.15
Fixed Deposit with Banks	-	-
Scheduled Bank - Unpaid Dividend Account	-	-
Liquid Funds	620.00	355.00
Total	628.11	445.29
Reconciliation of cash and cash equivalents as above with cash and bank balances (also refer note no. 4)		
Cash and cash equivalents as at end of the year as per above	628.11	445.29
Add:- Fixed deposit with banks	-	-
Add:- Unpaid dividend account	-	-
Total cash and bank balances equivalents as at end of the year	628.11	445.29

The notes referred to above are an integral part of these financial statements

1 to 42

As per our report of even date attached

For and on behalf of the Board

For Anil Pariek and Garg
 (F.R.N.001676C)
 Chartered Accountants

H. K. Pariek
 (Partner)
 Membership No. 070250
 UDIN: 24070250BKDHYZ8444

S. K. Agarwal
 Managing Director
 DIN:00106763

K. K. Soni
 Director
 DIN:00106037

A. K. Bansal
 Chief Financial Officer

Vishesh Jain
 Company Secretary
 M.No.: A68586

 Place: Kanpur
 Date: 20/05/2024

 Place: New Delhi
 Date: 20/05/2024

Statement of Changes in Equity for the year ended 31st March, 2024
A. Equity Share Capital
(1) Current reporting period
(₹ in lakhs)

Balance as at 1st April, 2023	Changes in Equity Share Capital due to prior period errors	Restated Balance as at 1st April, 2023	Changes in equity share capital during the current year	Balance as at 31st March, 2024
3,000	-	3,000	-	3,000

(2) Previous reporting period
(₹ in lakhs)

Balance at 1st April, 2022	Changes in Equity Share Capital due to prior period errors	Restated Balance as at 1st April, 2022	Changes in equity share capital during the previous year	Balance as at 31st March, 2023
3,000	-	3,000	-	3,000

B. Other Equity
(1) Current reporting period
(₹ in lakhs)

	Reserves and Surplus Retained Earnings	Other Comprehensive Income		
		Fair Value Gain on Equity Instruments through Other Comprehensive Income	Remeasurement of Defined Benefit Plans	Total
Balance as at 1st April, 2023	10,708.48	98,412.50	(4.64)	1,09,116.34
Changes in accounting policy/ prior period errors	-	-	-	-
Restated balance as at 1st April, 2023	10,708.48	98,412.50	(4.64)	1,09,116.34
Profit for the year	290.08	-	-	290.08
Other Comprehensive Income (net of tax)	-	(3,786.66)	0.74	(3,785.90)
Total comprehensive income for the current year	290.08	(3,786.66)	0.74	(3,495.84)
Dividends	-	-	-	-
Transfer to/ from retained earnings	-	-	-	-
Any other change (to be specified)	-	-	-	-
Balance as at 31st March, 2024	10,998.56	94,625.84	(3.90)	1,05,620.50

(2) Previous reporting period
(₹ in lakhs)

Particulars	Retained Earnings	Other Comprehensive Income		
		Fair Value Gain on Equity Instruments through Other Comprehensive Income	Remeasurement of Defined Benefit Plans	Total
Balance as at 1st April, 2022	10,459.07	1,23,593.04	(0.04)	1,34,052.07
Changes in accounting policy/ prior period errors	-	-	-	-
Restated balance as at 1st April, 2022	10,459.07	1,23,593.04	(0.04)	1,34,052.07
Profit for the year	249.41	-	-	249.41
Other Comprehensive Income (net of tax)	-	(25,180.54)	(4.60)	(25,185.14)
Total comprehensive income for the previous year	249.41	(25,180.54)	(4.60)	(24,935.73)
Dividends	-	-	-	-
Transfer to/ from retained earnings	-	-	-	-
Any other change (to be specified)	-	-	-	-
Balance as at 31st March, 2023	10,708.48	98,412.50	(4.64)	1,09,116.34

As per our report of even date attached

For Anil Pariek and Garg

(F.R.N.001676C)

Chartered Accountants

For and on behalf of the Board
H. K. Pariek

(Partner)

Membership No. 070250

UDIN: 24070250BKDHYZ8444

S. K. Agarwal

Managing Director

DIN:00106763

K. K. Soni

Director

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A. K. Bansal

Chief Financial Officer

Vishesh Jain

Company Secretary

M.No.: A68586

Place: Kanpur
Date: 20/05/2024

Place: New Delhi
Date: 20/05/2024

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET FOR THE YEAR ENDED 31st March, 2024

(Currency: Indian Rupees)

Note 1: Corporate information

VLS Securities Ltd., is a wholly-owned 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.

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. The Balance Sheet, the statement of Profit & Loss and the statement of changes in equity are prepared in the format as prescribed under Division III of Schedule III of the Companies Act, 2013, as amended from time to time, for Non-Banking Financial Company (NBFC) that are required to comply with Ind AS. The statement of Cash Flows has been presented as per the requirements of 'Ind AS 7 – Statement of Cash Flows'.

(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 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.

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. 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.

2.3.2 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.

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET FOR THE YEAR ENDED 31st March, 2024

(Currency: Indian Rupees)

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

(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. 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.

(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 39.

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.

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET FOR THE YEAR ENDED 31st March, 2024

(Currency: Indian Rupees)

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 recognized 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 recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss. 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 – 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 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 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.

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 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) 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).

(iii) 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: 30 to 60 years

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

The Company, based on technical assessment made by technical expert and management estimate, depreciates the certain items of building, plant and equipment over estimated useful life which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful life are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

(iv) 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

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET FOR THE YEAR ENDED 31st March, 2024

(Currency: Indian Rupees)

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>	Useful life / amortization period
Computer Software	5 Years

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.

2.12 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.

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

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.

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

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.

2.18 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.

(iii) Other Long-term Benefits:

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.

Re-measurements, 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. Re-measurements 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 on-going 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 on-going 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
Note 4 (a) : Cash and cash equivalent

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
1. Cash and cash equivalents		
– Cash on hand	0.16	0.14
2. Balance with banks		
– In current accounts	7.95	90.15
– Liquid Funds	620.00	355.00
– Fixed deposit with banks		
Total (1+2)	628.11	445.29

Note 4 (b) : Bank balance other than (4) above

Particulars	As at 31st March 2024	As at 31st March 2023
– Bank balances in Unspent CSR Account	21.11	-
Total	21.11	-

Note 5: Receivables

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Unsecured, considered good		
Trade receivables		
Considered good - secured*	-	-
Considered good - unsecured	-	-
Less: Allowances for impairment losses	-	-
	-	-
Other receivables		
Other receivables	-	-
Total	-	-

Note 6 : Loans

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Unsecured, considered good		
Staff Loan & Advances	1.11	1.81
Total	1.11	1.81

Note No. 7: Investments

(₹ in lakhs)

S No	Investments	As at 31st March 2024			As at 31st March 2023		
		Amortised cost	At Fair Value	Total	Amortised cost	At Fair Value	Total
			Through Other Comprehensive Income			Through Other Comprehensive Income	
(1)	(2)	(3)=(1)+ (2)	(1)	(2)	(3)=(1)+ (2)		
1	Equity instruments	-	127,714.82	127,714.82	-	132,775.03	132,775.03
2	Equity instruments in Subsidiaries	-	-	-	-	-	-
3	Equity instruments in Associates (Refer Note No.7.1)	11,662.21	-	11,662.21	11,662.21	-	11,662.21
4	Total - Gross (A)	11,662.21	127,714.82	139,377.03	11,662.21	132,775.03	144,437.24
5	(i) Investments in India	11,662.21	127,714.82	139,377.03	11,662.21	132,775.03	144,437.24
6	(ii) Investments outside India	-	-	-	-	-	-
7	Total (B)	11,662.21	127,714.82	139,377.03	11,662.21	132,775.03	144,437.24
8	Less: Aggregate amount of provision for impairment in the value of investments (Expected credit losses on Investment) (C)	-	-	-	-	-	-
9	Total - Net D= (A)-(C)	11,662.21	127,714.82	139,377.03	11,662.21	132,775.03	144,437.24

Notes to the Standalone Financial Statements
Note No. 7.1: Investments in Equity instruments of Associate

(₹ in lakhs)

S.No.	Particulars	As at 31st Mar 2024				As At 31st Mar 2023			
		Proportion of ownership Interest / Voting Right	Face Value	Holding	Value	Proportion of ownership Interest / Voting Right	Face Value	Holding	Value
		%	(in Rs.)	No. of shares	(Rs. in Lakhs)	%	(in Rs.)	No. of shares	(Rs. in Lakhs)
	1	2	3	4	5	6	7	8	9
	Investments in Equity shares of Subsidiaries: (Unquoted & Fully paid up) (Measured at amortized cost)	-	-	-	-	-	-	-	-
	Total - (A)	-	-	-	-	-	-	-	-
	Investments in Equity shares of Associate: (Unquoted & Fully paid up) (Measured at amortized cost)								
1	VLS Capital Ltd.	42.40%	10	9,820,833	11,662.21	42.40%	10	9,820,833	11,662.21
	Total - (B)				11,662.21				11,662.21
	Total - C = (A)+(B)				11,662.21				11,662.21

Principal place of business of Associate is in India.

Note 8 : Other Financial Assets

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Unsecured, considered good		
Margin Deposit with F&O Clearing Member (Globe Capital Market Ltd.)	308.00	308.00
Interest Accrued on FDR	46.99	40.62
Others	73.47	7.07
Deposit with NSEIL	136.64	127.00
VLS Securities Ltd. Group Gratuity Scheme	0.12	0.12
Total	565.22	482.81

Note 9 : Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Advance tax and tax deducted at source	119.05	107.94
Less: Provision for Taxation	(101.76)	(96.93)
Total	17.29	11.01

Note 10: Fixed assets : Property, Plant and Equipment

(₹ in lakhs)

Description	Computers	Office equipment	Furniture & fixtures	Vehicle	Total
Gross Carrying value as at April 1, 2022	42.31	3.10	0.71	5.79	51.91
Additions during the year	-	-	-	-	-
Sale during the year	-	-	-	5.79	5.79
Addition through business transfer					
Gross Carrying value as at March 31, 2023	42.31	3.10	0.71	-	46.12
Gross Carrying Value as at April 1, 2023	42.31	3.10	0.71	-	46.12
Additions during the year	0.46	0.57	-	-	1.03
Sale during the year	-	-	-	-	-
Addition through business transfer	-	-	-	-	-
Gross Carrying value as at March 31, 2024	42.77	3.67	0.71	-	47.15
Accumulated depreciation					
Accumulated depreciation as at April 1, 2022	41.54	2.95	0.71	5.45	50.65
Depreciation for the year	0.24	0.10	-	0.04	0.38
Sale/ Adjustments during the year	-	-	-	5.49	5.49
Accumulated depreciation as at March 31, 2023	41.78	3.05	0.71	-	45.54
Accumulated depreciation as at April 1, 2023	41.78	3.05	0.71	-	45.54
Depreciation for the year	0.23	0.21	-	-	0.44
Sale/ Adjustments during the year	-	-	-	-	-
Accumulated depreciation as at March 31, 2024	42.01	3.26	0.71	-	45.98

Notes to the Standalone Financial Statements

Property, Plant and Equipment					
Description	Computers	Office equipment	Furniture & fixtures	Vehicle	Total
Net Carrying Value					
As at 31st March 2023	0.53	0.05	-	-	0.58
As at 31st March 2024	0.75	0.42	-	-	1.17

Intangible Assets

Description	Software				Total
Gross Carrying value as at April 1, 2022	1.04	-	-	-	1.04
Addition through business transfer					
Gross Carrying value as at March 31, 2023	1.04	-	-	-	1.04
Gross Carrying Value as at April 1, 2023	1.04	-	-	-	1.04
Addition through business transfer					
Gross Carrying value as at March 31, 2024	1.04	-	-	-	1.04
Accumulated Depreciation					
Accumulated depreciation as at April 1, 2022	1.04	-	-	-	1.04
Accumulated depreciation as at March 31, 2023	1.04	-	-	-	1.04
Accumulated depreciation as at April 1, 2023	1.04	-	-	-	1.04
Accumulated depreciation as at March 31, 2024	1.04	-	-	-	1.04
Intangible Assets					
Description	Software				Total
Net Carrying Value					
As at 31st March 2023	-	-	-	-	-
As at 31st March 2024	-	-	-	-	-

Note 11 : Other Non-Financial Asset

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Prepaid Expenses	3.79	6.54
Other Recoverable	5.28	4.93
Total	9.07	11.47

Note 12 Trade Payables

Particulars	As at 31st March, 2024	As at 31st March, 2023
a) Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	104.65	106.86
Total	104.65	106.86

Trade Payables ageing schedule

Particulars	As at 31st March, 2024					As at 31st March, 2023				
	Outstanding for following periods from due date of payment					Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-	-	-	-
(ii) Others	104.65	-	-	-	104.65	106.86	-	-	-	106.86
(iii) Disputed dues-MSME	-	-	-	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-	-	-	-

Note 12 Other Payables

Particulars	As at 31st March, 2024	As at 31st March, 2023
a) Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	14.54	14.37
Total	14.54	14.37

Other Payables ageing schedule

Particulars	As at 31st March, 2024					As at 31st March, 2023				
	Outstanding for following periods from due date of payment					Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-	-	-	-
(ii) Others	14.54	-	-	-	14.54	14.37	-	-	-	14.37
(iii) Disputed dues-MSME	-	-	-	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements

Note 13 : Provisions

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Provision for employee benefits*	31.70	27.28
Provision for unspent expenditure on Corporate Social Responsibility**	21.11	21.11
Total	52.81	48.39

*Pl. refer Note No 36 on Employees Benefits

**Pl. refer Note No: 40 on Corporate Social Responsibility

Note 14 : Tax Expense & Deferred Tax Assets / Liabilities

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Deferred tax liability on account of :		
Deferred tax on IND AS adjustments	(31,825.21)	(33,098.75)
Total deferred tax liabilities (A)	(31,825.21)	(33,098.75)
Deferred tax assets on account of:		
Employee Benefits	7.98	6.86
Depreciation	0.28	0.06
Total deferred tax assets (B)	8.26	6.92
Net deferred tax liability / (assets) (B-A)	(31,816.95)	(33,091.83)

(₹ in lakhs)

Particulars	As at 31st March 2024	Recognised through profit and loss	Recognised through Other comprehensive income	As at 31st March 2023	Recognised through profit and loss	Recognised through Other comprehensive income	As at 31st March 2022
Deferred tax liabilities on account of:							
Deferred tax on IND AS adjustments	31,825.21	-	(1,273.54)	33,098.75	-	(8,468.89)	41,567.64
Total deferred tax liabilities	31,825.21	-	(1,273.54)	33,098.75	-	(8,468.89)	41,567.64
Deferred tax assets on account of:							
Depreciation	0.29	0.23	-	0.06	(0.33)	-	0.39
Employee Benefits	7.97	1.31	(0.20)	6.86	(0.51)	1.55	5.83
Total deferred tax assets	8.26	1.54	(0.20)	6.92	(0.84)	1.55	6.22
Total deferred tax Assets/ liability (net)	(31,816.95)	1.54	1,273.34	(33,091.83)	(0.84)	8,470.43	(41,561.42)

Note 15 : Other non-financial liabilities

(₹ in lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Statutory dues	10.66	12.42
Total	10.66	12.42

Note 16 : Equity share capital

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs.10/- each	3,00,00,000.00	3,000.00	3,00,00,000.00	3,000.00
Total	3,00,00,000.00	3,000.00	3,00,00,000.00	3,000.00
Issued, subscribed and paid up				
Equity shares of Rs.10/- each, fully paid up in cash	3,00,00,000.00	3,000.00	3,00,00,000.00	3,000.00
Total	3,00,00,000.00	3,000.00	3,00,00,000.00	3,000.00

Terms / rights attached to shares

The Company has one class of equity shares having a par value of Rs.10 each (previous year: having at 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.

Reconciliation of number of shares outstanding

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number	Amount	Number	Amount
Issued, subscribed and paid up equity share capital				
At beginning of the year	3,00,00,000.00	3,000.00	3,00,00,000.00	3,000.00
Changes in equity share capital during the year	-	-	-	-
At the end of the year	3,00,00,000.00	3,000.00	3,00,00,000.00	3,000.00

Notes to the Standalone Financial Statements
Shares held by holding Company

Particulars	As at 31st March 2024		As at 31st March 2023	
	No. of shares held	% of holding	No. of shares held	% of holding
VLS Finance Ltd.	3,00,00,000.00	100.00	3,00,00,000.00	100.00
At the end of the year	3,00,00,000.00	100.00	3,00,00,000.00	100.00

Share holder having more than 5% equity share holding in the Company

Particulars	As at 31st March 2024		As at 31st March 2023	
	No. of shares held	% of holding	No. of shares held	% of holding
VLS Finance Ltd.	3,00,00,000.00	100.00	3,00,00,000.00	100.00
At the end of the year	3,00,00,000.00	100.00	3,00,00,000.00	100.00

Disclosure of shareholding of promoters
Shareholding of promoters as at 31st March, 2024

Particulars	As at 31st March 2024		As at 31st March 2023	
	No. of shares held	% of holding	No. of shares held	% of holding
VLS Finance Ltd.	3,00,00,000.00	100.00	3,00,00,000.00	100.00
Total	3,00,00,000.00	100.00	3,00,00,000.00	100.00

Shareholding of promoters as at 31st March, 2023

Particulars	As at 31st March 2023		As at 31st March 2022	
	No. of shares held	% of holding	No. of shares held	% of holding
VLS Finance Ltd.	3,00,00,000.00	100.00	2,99,00,000.00	99.67
Total	3,00,00,000.00	100.00	2,99,00,000.00	99.67

*Disclosure as to aggregate number and class of shares allotted pursuant to contract(s) without payment being received in cash, shares issued as fully paid up by way of bonus shares and shares bought back.

Particulars	Fully paid up pursuant to contract(s) without payment being received in cash	Fully paid up by way of bonus shares	Shares bought back
	Number	Number	Number
Equity Shares :			
2023-2024	Nil	Nil	Nil
2022-2023	Nil	Nil	Nil
2021-2022	Nil	Nil	Nil
2020-2021	Nil	Nil	Nil
2019-2020	Nil	Nil	Nil

Note 17 : Other Equity

Particulars	(₹ in lakhs)	
	As at 31st March 2024	As at 31st March 2023
Retained earnings		
Balance at the beginning of the year	10,708.48	10,459.07
Add: Profit/(loss) during the year	290.08	249.41
Transfer from/to FVTOCI to Retained Earnings	-	-
Balance as at end of the year	10,998.56	10,708.48
Fair value gain on equity instruments carried through other comprehensive income		
Balance at the beginning of the year	98,412.50	123,593.04
Add: Other Comprehensive Income during the year (net of tax)	(3,786.66)	(25,180.54)
Balance as at end of the year	94,625.84	98,412.50
Remeasurement of Defined Benefit Plans		
Balance at the beginning of the year	(4.64)	(0.04)
Add: Other comprehensive income (net of tax)	0.74	(4.60)
Balance as at end of the year	(3.90)	(4.64)
TOTAL	1,05,620.50	1,09,116.34

i) There is no changes in accounting policy and there is no prior period errors.

Nature and purpose of reserves :

i) **Retained earnings:**

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

Notes to the Standalone Financial Statements
ii) Other comprehensive income (OCI):

The Company has elected to recognise changes in the fair value of certain investments in equity securities and other instruments in other comprehensive income. These changes are accumulated within the FVTOCI reserve under the head "other equity". The Company transfers amounts from this reserve to retained earnings when those investments have been disposed off. Further this also represents the gain/(loss) on remeasurement of defined benefit obligations and of plan assets.

Note 18 : Interest Income

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest on deposits with banks	588.11	581.98
Other Interest Income	574.82	574.82
Total	13.29	7.16

Note 19 : Dividend Income

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Dividend on Investments	389.86	389.86
Total	389.86	389.86

Note 20 : Fees and Commission Income

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Brokerage and fees income		
Brokerage income	309.66	229.47
Total	309.66	229.47
Other commission income		
Portfolio management fees and other commission	-	-
Total	309.66	229.47

Note 21 : Net gain on fair value changes

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Net gain (loss) on financial instruments at fair value through Profit and loss account		
(a) Investment		
- On Investment	-	-
(b) Trading		
- On Securities	0.07	0.12
- On Liquid Mutual Fund	-	8.18
Total	0.07	8.30

Note 22 : Other Income

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest on staff loans and advances	0.06	0.14
Interest on Income Tax Refund	-	0.76
Total	0.06	0.90

Note 23 : Finance Cost

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest	-	8.01
Total	-	8.01

Note 24 : Fees and Commission expense

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
SEBI Fees	3.00	3.00
Transaction and Other NSE Charges	125.00	80.77
Total	128.00	83.77

Note 25 : Employee benefits expense

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Salaries and Wages	125.68	116.59
Staff Welfare Expenses	0.10	0.34
Employer's Contribution to EPF, ESI, Gratuity Fund etc.	13.14	11.28
Total	138.92	128.21

Notes to the Standalone Financial Statements
Note 26 : Depreciation and Amortization expense

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Depreciation on Property, plant & equipment	0.44	0.38
Total	0.44	0.38

Note 27 : Other expenses

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Rent	24.00	24.30
Rates & Taxes	0.06	0.14
Legal and professional Charges	9.52	9.35
Repair & Maintenance	-	0.21
Travelling and Conveyance	6.38	7.10
Insurance	0.01	0.21
Miscellaneous Expenses	4.98	2.43
Business Promotion	2.03	3.10
News Papers, Books & Periodicals	2.33	1.96
Communication Expenses	0.18	0.23
Printing & Stationery	0.02	0.07
Security Guard expenses	5.68	-
CSR Expense	-	21.11
Directors Sitting Fee	1.55	3.10
Auditors Remuneration		
- Statutory Audit fees	0.50	0.40
- Tax audit fees	0.15	0.15
- Out of pocket expenses	0.20	0.20
- Certification Charges	0.50	0.30
- Reimbursement of expenses	0.17	0.11
Total	58.26	74.47

*Pl. refer Note No.40 on Corporate Social Responsibility

Note 28 : Earnings per equity share

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Net profit attributable to equity shareholders [A] (₹ in lakhs)	290.08	249.41
Weighted average number of equity shares issued [B] (face value of Rs. 10 each) (Numbers in Lakh)	300.00	300.00
Basic earnings per share [A/B] (Rs.)	0.97	0.83
Diluted earnings per share (Rs.)	0.97	0.83

Note 29: Related Party Disclosures: -

Pursuant to compliance of Indian Accounting Standard (Ind AS 24) on related party disclosure, the relevant information is provided here below:-

A. List of Related party and their relationship
a) Holding Company

VLS Finance Limited

(b) Directors & Key Management Personnel

- [i] Mr. S. K. Agarwal Managing Director
- [ii] Mr. K. K. Soni Non-Executive Non Independent Director
- [iii] Mr. T. B. Gupta Non-Executive Non Independent Director
- [iv] Ms. Divya Mehrotra Non-Executive Non Independent Director (Cessation due to demise on 04/01/2024)
- [v] Mr. R. K. Goswami Non-Executive Independent Director (Cessation due to demise on 07/01/2023)
- [vi] Dr. Rajeev Lochan Bishnoi Non-Executive Independent Director (Resigned w.e.f 01/03/2023)
- [vii] Mr. Anurag Bhatnagar Chief Financial Officer (Resigned w.e.f 31.08.2022)
- [viii] Mr. Anoop Mishra Non-Executive Independent Director (appointment date 12/08/2022)
- [ix] Mr. Aditya Kumar Bansal Chief Financial Officer (appointment w.e.f 15/06/2023)
- [x] Mr. Vishesh Jain Company Secretary (appointment w.e.f 28/12/2022)

(c) Others:

- VLS Capital Limited (Associate Company)
- South Asian Enterprises Limited: Subsidiary of VLS Capital Limited (Associate Company)

Fellow Subsidiaries

- VLS Asset Management Limited
- VLS Real Estate Limited

Notes to the Standalone Financial Statements
Transaction with related parties during the year:
(₹ in lakhs)

Sl. No.	Nature of transaction	Related Party type	2023-2024 (#)	2022-2023 (#)
1	Brokerage Earned			
-	VLS Finance Limited	Holding Company	298.43	223.30
-	Ms. Divya Mehrotra	Director	11.19	6.12
-	VLS Capital Limited	Associate Company	0.03	0.02
2	Other Charges received [STT, GST & Stamp Duty] [As Share Broker]			
-	VLS Finance Limited	Holding Company	652.34	385.73
-	Ms. Divya Mehrotra	Director	9.21	4.18
-	VLS Capital Limited	Associate Company	0.04	0.03
3	Rent paid			
-	VLS Finance Limited	Holding Company	24.00	24.30
4	Interest (Reimbursed) Paid on Margin Money Deposits			
-	VLS Finance Limited	Holding Company	560.28	391.14
-	Ms. Divya Mehrotra	Director	14.54	8.64
5	Salary			
-	Mr. Anurag Bhatnagar	Chief Financial Officer	-	17.10
6	Sale of Property, Plant and Equipment			
-	Mr. Anurag Bhatnagar	Chief Financial Officer	-	0.30
7	Honorarium Charges			
-	Mr. Vishesh Jain	Company Secretary	0.95	0.00
8	Sitting fees paid			
-	Ms. Divya Mehrotra	Director	0.45	0.50
-	Mr. R. K. Goswami	Director	0.00	0.88
-	Dr. Rajeev Lochan Bishnoi	Director	0.00	1.10
-	Mr. Anoop Mishra	Director	1.10	0.63

Outstanding Balances at the year end
(₹ in lakhs)

Sl. no.	Nature of transaction	Related Party type	2023-2024	2022-2023
1	Payable			
-	VLS Finance Limited	Holding Company	98.32	99.35
-	Ms. Divya Mehrotra	Director	-	1.81

Notes:

- The value of transaction represents the value of transaction with related party from the date the party became related party.
- If the amount is less than Rs 500 then the figure is shown as "-".
- The value of related party transactions are given, excluding applicable taxes if any.

Note 30: 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 25%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

(₹ in lakhs)

Particulars	31st March 2024	31st March 2023
Borrowings	-	-
Less: cash and cash equivalents	628.11	445.29
Net debt	-	-
Equity	3,000.00	3,000.00
Other Equity	1,05,620.50	1,09,116.34
Total capital	1,08,620.50	1,12,216.34
Capital and net debt	1,08,620.50	1,12,216.34
Gearing ratio	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 to the Standalone Financial Statements

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2024 and 31st March 2023.

Note 31: Other Financial Information

- a. 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'.

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Principal amount remaining unpaid to any supplier as at the period end.	Nil	Nil
Interest due thereon	Nil	Nil
Amount of interest paid	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	Nil	Nil
b. Earnings in Foreign Currency	Nil	Nil
c. Expenditure in Foreign Currency	Nil	Nil

Note 32: Commitments and contingencies

a. Commitments:

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
(a) Estimated amount of contracts remaining to be executed on Capital Account.	Nil	Nil
(b) Uncalled liability on shares and other investments partly paid	Nil	Nil

b. Contingent liabilities

(a) Claims against the company not acknowledged as debt;	Nil	Nil
(b) Guarantees excluding financial guarantees; and	Nil	Nil

c. Leases

Operating lease - company as lessee

The company has taken a property on cancellable operating lease. Short term lease expense recognized for the year is Rs.24.00 Lakh (lease agreement is for the period less than one year only) (31st March 2023 Rs.24.30 Lakh).

Note 33: 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:

(₹ in lakhs)

Particulars	Carrying value		Fair value	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Financial assets				
Other financial assets	565.22	482.81	-	-
Trade receivables	-	-	-	-
Other receivables	-	-	-	-
Loans	1.11	1.81	-	-
FVTOCI financial investments	1,27,714.82	1,32,775.03	1,27,714.82	1,32,775.03
Foreign exchange forward contracts	-	-	-	-
Total	1,28,281.15	1,33,259.65	1,27,714.82	1,32,775.03
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:

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 31st March 2023 was assessed to be insignificant.

Notes to the Standalone Financial Statements

Note 34:

The Company ("VLSS") has not prepared the Consolidated Financial Statements in view of exemption granted under Rule 6 of Companies (Accounts) Rule 2014 in view of it satisfying following conditions:

- VLSS is wholly owned subsidiary of VLS Finance Ltd.
- VLSS is a Company whose securities are neither listed nor in the process of listing on any stock exchange: and
- VLSS holding company VLS Finance Ltd. Files Consolidated Financial Statements with the Registrar which are in compliance with the applicable Accounting Standards.

Form AOC - 1

(Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries or Associate Companies or Joint Ventures

Part A - Subsidiaries

Not Applicable as the Company does not have any Subsidiary since inception.

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations : None
- Names of subsidiaries which have been liquidated or sold during the year. : None

Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associate Company	VLS Capital Limited
1. Latest Audited Balance Sheet Date	18/05/2024
2. Date on which the Associate or Joint Venture was associated or acquired	25/10/2021
3. Shares of Associate or Joint Ventures held by the company on the year end	
Number of Shares	98,20,833
Amount of Investment in Associates or Joint Venture (Rs. in Lakhs)	11,662.21
Extent of Holding (In percentage)	42.40%
4. Description of how there is Significant- Influence	Holding more than 20% of total voting power.
5. Reason why the Associate/ Joint Venture is not consolidated.	❖
6. Net worth attributable to share holding as per latest audited Balance Sheet (Rs. in Lakhs)	❖
7. Profit or Loss for the year (Rs. in Lakhs)	❖
i. Considered in Consolidation	❖
ii. Not Considered in Consolidation	❖

❖ Not Applicable Due to the exemption provided by Notification issued by Ministry of Corporate Affairs on 27th July 2016.

- Names of associates or joint ventures which are yet to commence operations. : None
- Names of associates or joint ventures which have been liquidated or sold during the year. : None

Note 35: 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:

- Credit risk
- Liquidity risk
- 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:

- 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.

Notes to the Standalone Financial Statements

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:

(₹ in lakhs)

Particulars	31st March 2024	31st March 2023
Other Receivables (net of impairment)	-	-
Loans (net of impairment)	1.11	1.81
Total	1.11	1.81

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 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 31st March 2024

(₹ in lakhs)

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	628.11	-	-	-	628.11
Bank Balance other than (a) above	21.11	-	-	-	21.11
Securities for trade	-	-	-	-	-
Other receivables	-	-	-	-	-
Loans	0.68	0.34	0.09	-	1.11
Investments	-	-	1,39,377.03	-	1,39,377.03
Other financial assets	178.56	-	386.66	-	565.22
Total	828.46	0.34	1,39,763.78	-	1,40,592.58
Liabilities					
Trade payables	104.65	-	-	-	104.65
Other payables	14.54	-	-	-	14.54
Debt securities	-	-	-	-	-
Deposits	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Total	119.19	-	-	-	119.19
Net Excess / (shortfall)	709.27	0.34	1,39,763.78	-	1,40,473.39

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at 31st March 2023

(₹ in lakhs)

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	445.29	-	-	-	445.29
Bank Balance other than (a) above	-	-	-	-	-
Securities for trade	-	-	-	-	-
Trade receivables	-	-	-	-	-
Loans	1.06	0.60	0.15	-	1.81
Investments	-	-	1,44,437.24	-	1,44,437.24
Other financial assets	96.15	-	386.66	-	482.81
Total	542.50	0.60	1,44,824.05	-	1,45,367.15

Notes to the Standalone Financial Statements

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total carrying amount
Liabilities	-	-	-	-	-
Trade payables	106.86	-	-	-	106.86
Other payables	14.37	-	-	-	14.37
Debt securities	-	-	-	-	-
Deposits	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Total	121.23	-	-	-	121.23
Net Excess / (shortfall)	421.27	0.60	1,44,824.05	-	1,45,245.92

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 Risk
- ii) Interest Rate Risk
- iii) Currency Risk

i) Equity 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 36: Employees Benefits
i) Defined Contribution Plans:

Amount of Rs. in Lakh 8.24 (Previous Year - 2023 Rs. in Lakh 7.68) contributed to provident fund is recognized as an expense and included in Employer's Contribution to EPF, ESI, Gratuity Fund etc.' under 'Employee benefits expense in the Statement of Profit and Loss.

ii) Defined benefit plan
a) Gratuity (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:

b) Other Long-term Benefits:
a) Compensated absences/ leave encashment (Unfunded):

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

(₹ in lakhs)

Actuarial Assumptions	Gratuity As at 31st March 2024	Gratuity As at 31st March 2023	Leave Encashment (Compensated absences) As at 31st March 2024	Leave Encashment (Compensated absences) As at 31st March 2023
Discount rate (per annum)	7.25%	7.25%	7.25%	7.25%
Future salary increase	5.00%	5.00%	5.00%	5.00%
Mortality	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate

Notes to the Standalone Financial Statements

(₹ in lakhs)

Actuarial Assumptions	Gratuity As at 31st March 2024	Gratuity As at 31st March 2023	Leave Encashment (Compensated absences) As at 31st March 2024	Leave Encashment (Compensated absences) As at 31st March 2023
I. Expenses recognized in statement of profit and loss				
Current service cost	3.08	2.87	0.31	0.31
Interest cost	5.53	5.64	0.56	0.55
Past Service cost	-	-	-	-
Expected return on plan assets	(4.10)	(5.23)	-	-
Net expenses recognized	4.51	3.28	0.87	0.86
II. Other comprehensive (income)/ expenses (Premeasurement)				
Cumulative unrecognized actuarial (gain)/loss opening. B/F	7.00	(0.16)	(0.84)	0.18
Actuarial (gain)/loss – obligation	(0.25)	6.31	(0.46)	(1.02)
Actuarial (gain)/loss – plan assets	(0.23)	0.84	-	-
Total Actuarial (gain)/loss	(0.48)	7.16	(0.46)	(1.02)
Cumulative total actuarial (gain)/loss. C/F	6.52	7.00	(1.30)	(0.84)
III. Net liability/(assets) recognized in the balance sheet at the year end				
Present value of obligation at the end of period	84.58	76.22	8.06	7.66
Fair value of the plan asset at the end of period	60.94	56.60	-	-
Funded status [(surplus)/(deficit)]	23.64	19.62	8.06	7.66
Net asset/(liability) as at 31st March, 2024	(23.64)	(19.62)	(8.06)	(7.66)
IV. Change in present value of obligation during the year				
Present value of obligation at the beginning of period	76.22	86.79	7.66	8.52
Current service cost	3.08	2.87	0.31	0.31
Interest cost	5.53	5.64	0.56	0.55
Past Service cost	-	-	-	-
Benefits paid	-	(25.39)	-	(0.71)
Actuarial loss/ (gain) on obligations	(0.25)	6.31	(0.46)	(1.02)
Present value of obligation at the year end*	84.58	76.22	8.06	7.66
V. Change in present value of fair value of plan assets				
Fair value of plan assets as at the beginning of period	56.60	72.15	-	-
Expected return on plan assets	4.10	5.23	-	-
Contributions	-	0.06	-	-
Benefits paid	-	(20.00)	-	-
Actuarial loss/ (gain)	0.24	(0.84)	-	-
Fair value of plan assets at the year end	60.94	56.60	-	-
VI. Present Benefit Obligation at the end of the year				
Current Liability (Amount due within one year)	29.62	13.70	2.46	1.33
Non-Current Liability (Amount due over one year)	54.98	62.52	5.60	6.33
Total Liability	84.58	76.22	8.06	7.66

*Gratuity: LIC of India

Maturity profile of defined benefit obligation

Particulars	31st March 2024	31st March 2023
Weighted average duration (based on discounted cash flows) in years	3	4

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:

Notes to the Standalone Financial Statements

Period	GRATUITY	LEAVE ENCASHMENT
	As on: 31st March 2024	As on: 31st March 2024
Defined Benefit Obligation (Base)	84.58 @ Salary Increase Rate: 5%, and discount rate :7.25%	8.06
Liability with x% increase in Discount Rate	82.51; x=1.00% [Change (2)%]	7.84; x=1.00% [Change (3)%]
Liability with x% decrease in Discount Rate	86.80; x=1.00% [Change 3%]	8.31; x=1.00% [Change 3%]
Liability with x% increase in Salary Growth Rate	86.82; x=1.00% [Change 3%]	8.31; x=1.00% [Change 3%]
Liability with x% decrease in Salary Growth Rate	82.45; x=1.00% [Change (3)%]	7.83; x=1.00% [Change (3)%]
Liability with x% increase in Withdrawal Rate	84.72; x=1.00% [Change 0%]	8.08; x=1.00% [Change 0%]
Liability with x% decrease in Withdrawal Rate	84.44; x=1.00% [Change 0%]	8.05; x=1.00% [Change 0%]

Note: 37: 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.

(₹ in lakhs)

Assets	31st March 2024			31st March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						-
Cash and cash equivalents	628.11	-	628.11	445.29	-	445.29
Bank Balance other than (a) above	21.11	-	21.11			
Trade receivables	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Loans	1.02	0.09	1.11	1.66	0.15	1.81
Investments	-	1,39,377.03	1,39,377.03	-	1,44,437.24	1,44,437.24
Other financial assets	178.56	386.66	565.22	96.15	386.66	482.81
Total	828.80	1,39,763.78	1,40,592.58	543.10	1,44,824.05	1,45,367.15
Non-Financial assets						
Inventories	-	-	-	-	-	-
Current Tax assets	17.29	-	17.29	11.01	-	11.01
Investment Property	-	-	-	-	-	-
Property, plant and equipment	-	1.17	1.17	-	0.58	0.58
Deferred Tax Assets	-	-	-	-	-	-
Intangible assets under development	-	-	-	-	-	-
Other Intangible assets	-	0.00	0.00	-	0.00	0.00
Other non-financial assets	9.02	0.05	9.07	8.67	2.80	11.47
Total	26.31	1.22	27.53	19.67	3.38	23.06
Assets held for sale						
Total Assets	855.11	1,39,765.00	1,40,620.11	562.77	1,44,827.43	1,45,390.21
Liabilities						
Financial Liabilities						
Trade payables	104.65	-	104.65	106.86	-	106.86
Other payables	14.54	-	14.54	14.37	-	14.37
Debts	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-
Total	119.19	-	119.19	121.23	-	121.23
Non Financial Liabilities						
Current tax liabilities	-	-	-	-	-	-
Provisions	52.81	-	52.81	48.39	-	48.39
Deferred tax liabilities	-	31,816.95	31,816.95	-	33,091.83	33,091.83
Other non financial liabilities	10.66	-	10.66	12.42	-	12.42
Total	63.47	31,816.95	31,880.42	60.81	33,091.83	33,152.64
Liabilities held for sale						
Total Liabilities	182.68	31,816.95	31,999.62	182.04	33,091.83	33,273.87

Notes to the Standalone Financial Statements

Note 38: 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 therefore 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 w.e.f. the financial year 2020-21.

a) Income Tax recognised in Statement of Profit and Loss

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Current tax Expense/(credit):		
1 Current tax for the year	98.78	90.60
2 Minimum alternate tax	-	-
3 Tax adjustment in respect of earlier years	-	-
Total current tax expense/(Credit) (A)	98.78	90.60
Deferred tax Expense/(credit):	(1.54)	0.84
Net deferred tax expense/(credit) (B)	(1.54)	0.84
Income tax Tax expense/(credit) (net): (C = A+B)	97.24	91.44

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

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Profit / (loss) before tax	387.32	340.85
1 Expected income tax expense/(credit) at the applicable tax rates	97.48	85.78
Tax effect of adjustments to reconcile expected Income tax expense/ (credit) at tax rate to reported income tax expense/(credit)		
2 Effect of non-deductible expenses	-	5.31
3 Effect of differential tax rates and carried/brought forward losses	-	-
4 Effect of income exempt from tax	-	-
5 Others	(0.24)	0.35
Income Tax expenses/(credit) reported in statement of profit and loss (1+2+3+4+5)	97.24	91.44

Note: 39 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:

The carrying value and fair value of financial instruments by categories as of 31st March 2024 are as follows:

(₹ in lakhs)

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
31st March 2024								
Financial assets								
Cash and cash equivalents	-	-	628.11	628.11	-	-	-	-
Bank balance other than cash and cash equivalents above	-	-	21.11	21.11	-	-	-	-
Receivables	-	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements

Particulars	Carrying amount				Fair value				
	31st March 2024	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(I) Trade receivables	-	-	-	-	-	-	-	-	-
(II) Other receivables	-	-	-	-	-	-	-	-	-
Loans	-	-	1.11	1.11	-	-	-	-	-
Investments	-	1,27,714.82	11,662.21	1,39,377.03	1,27,714.82	-	-	-	1,27,714.82
Other financial assets	-	-	565.22	565.22	-	-	-	-	-
Total financial assets	-	1,27,714.82	12,877.76	1,40,592.60	1,27,714.82	-	-	-	1,27,714.82
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	-	-	104.65	104.65	-	-	-	-	-
(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	-	-	14.54	14.54	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-
Borrowings (Other than debt securities)	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-	-	-	-
Total financial liabilities	-	-	119.19	119.19	-	-	-	-	-

The carrying value and fair value of financial instruments by categories as of 31st March 2023 are as follows:

Particulars	Carrying amount				Fair value				
	31st March 2023	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Cash and cash equivalents	-	-	445.29	445.29	-	-	-	-	-
Bank balance other than cash and cash equivalents above	-	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-	-
(I) Trade receivables	-	-	-	-	-	-	-	-	-
(II) Other receivables	-	-	-	-	-	-	-	-	-
Loans	-	-	1.81	1.81	-	-	-	-	-
Investments	-	1,32,775.03	11,662.21	1,44,437.24	1,32,775.03	-	-	-	1,32,775.03
Other financial assets	-	-	482.81	482.81	-	-	-	-	-
Total financial assets	-	1,32,775.03	12,592.12	1,45,367.15	1,32,775.03	-	-	-	1,32,775.03
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	-	-	106.86	106.86	-	-	-	-	-
(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	-	-	14.37	14.37	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-
Borrowings (Other than debt securities)	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-	-	-	-
Total financial liabilities	-	-	121.23	121.23	-	-	-	-	-

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 to the Standalone Financial Statements

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 - is based on NAV as per the latest financial figures of the respective Company or price multiples of comparable Companies of Price Quotation received from intermediaries dealing in unquoted shares.
- 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 No: 40 Corporate Social Responsibility

1) The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from 1st April 2014. As per the provisions of the said section, the Company has undertaken the following CSR initiatives during the financial year 2023-2024.

- a) Amount required to be spent by the company during the year 2023-24 Rs.Nil (Previous year Rs.21.11 Lakhs) computed in accordance with applicable regulations.

Amount spent during the year ended 31 March 2024 and 31st March 2023 as under:

(₹ in lakhs)

Particulars	As at	
	31st March 2024	31st March 2023
(i) Amount required to be spent by the company during the year	-	21.11
(ii) Excess amount spent in previous year(s) (set off)	-	-
(iii) Amount available for spending under CSR for the year, after set off	-	21.11
(iv) Amount of expenditure incurred	-	-
a) Construction/acquisition of any asset	-	-
b) on purposes other than (i) above	-	-
(v) Details related to spent / unspent obligations:		
a) Directly by the Company	-	-
b) Contribution to eligible entity	-	-
c) Unspent amount in relation to:		
- Ongoing project	-	21.11
- Other than ongoing project	-	-
(vi) Shortfall/(Excess #) at the end of the year*	-	21.11
(vii) Total of previous years shortfall	-	-
(viii) Reason for shortfall*	-	Allocated to ongoing project
(ix) Nature of CSR activities	-	CSR initiatives Promoting education besides other objectives permitted under Schedule VII of the Companies Act, 2013.
(x) Details of related party transactions as per relevant Accounting Standard	N.A.	N.A.
(xi) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision.	N.A.	As given below

2) **Movements in the provision with respect to a liability incurred by entering into a contractual obligation during the year.**

(₹ in lakhs)

Particulars	For the year ended	
	31st March 2024	31st March 2023
Opening provision balance	21.11	-
Provision created during the year (for ongoing projects, in case of S. 135(6))	-	21.11
Provision created during the year (for other than ongoing project, In case of S. 135(5))	-	-
Amount spent during the year	-	-
Closing Provision balance*	21.11	21.11

Notes to the Standalone Financial Statements

3) Details of other than ongoing project, In case of S. 135(5)

(₹ in lakhs)

Particulars	For the year ended	
	31st March 2024	31st March 2023
Opening Balance	-	-
Amount required to be spent during the year (after set off of Excess amount spent in previous year)	-	-
Amount deposited in Specified Fund of Sch. VII within 6 months	-	-
Amount spent during the year	-	-
Closing Balance	-	-

4) Details of ongoing projects, in case of S. 135(6)

(₹ in lakhs)

Particulars	For the year ended	
	31st March 2024	31st March 2023
Opening Balance		
	With Company	21.11
	In Separate CSR Unspent A/c	-
Transfer to Separate CSR unspent A/c	21.11	-
Amount required to be spent during the year#	-	21.11
Amount spent during the year		
	From Company's Bank A/c	-
	From Separate CSR Unspent A/c	-
Closing balance *		21.11
	With Company	-
	In Separate CSR Unspent A/c	21.11

Notes

The Company was not covered in any of the criteria prescribed in Section 135 of The Companies Act, 2013 in the year 2023-2024, hence no allocation under CSR was required to be made.

* The entire corpus / allocation under CSR for the year 2022-2023 has been earmarked for ongoing project, the disbursement of which has been requested by the concerned entity in the financial year 2023-2024 onwards. No amount was disbursed in the year 2023-2024. Accordingly, the same has not been considered as spent. As informed in previous year the entire amount allocated for CSR for the year 2022-2023 had been transferred within 30 days of close of the financial year 2022-2023 into the bank account specifically opened for unspent CSR as per applicable regulations. The CSR committee constituted in accordance with Rule 3 of Companies (Corporate Social Responsibility Policy) Rules, 2014, by Board on 23/01/2024 will monitor the disbursement in accordance with applicable regulations.

Note. 41 Key Ratio

Part A

S No	Particulars	As At 31st Mar 2024	As At 31st Mar 2023
1	Capital to risk- weighted assets ratio	Not Applicable *	Not Applicable *
2	Tier I CRAR	Not Applicable *	Not Applicable *
3	Tier II CRAR	Not Applicable *	Not Applicable *
4	Liquidity Coverage Ratio	Not Applicable *	Not Applicable *

* Note: As the company is not registered with RBI as NBFC by virtue of exemption given by RBI, the above ratios are not applicable to the company.

Part B

S No	Particulars	Numerator (Rs. in Lakhs)	Denominator (Rs. in Lakhs)	As at 31st Mar 2024 Ratio	As at 31st Mar 2023 Ratio	% Change from previous period in Current Year	Reason for Change in Current Year (if Change > 25 %)
1	2	3	4	5 = 3 / 4	6	7 = (5 - 6) / 6	8
1	Return on equity (PAT / Equity) (%)	290.08	1,08,620.50	0.27	0.22	22.73	Within Limit
2	Return on Assets (PAT / Total Assets) (%)	290.08	1,40,620.11	0.21	0.17	23.53	Within Limit
3	Current Ratio (Cash, Bank, Receivables & Other Fin. Assets) / (Financial Liabilities) (times)	1,193.34	119.19	10.01	7.66	30.68	There is positive increase in the ratio due to increase in the financial assets during the current year.

Note: 42 Additional Regulatory disclosures

- Since, the Company does not have any trade receivables as on March 31, 2024, and March 31, 2023, the disclosure relating to trade receivables ageing schedule has been dispensed with.
- No loans or advances in the nature of loans are granted to promoters, directors, KMPs, and the related parties, either severally or jointly with any other person during the financial years ended March 31, 2024, and March 31, 2023.
- The Company did not have any transactions with the Companies struck-off under Section 248 of the Companies Act, 2013 during the financial years ended March 31, 2024, and March 31, 2023.
- The Company does not have any subsidiaries, hence provisions of section 2(87) of the Companies Act, 2013 are not applicable on the Company.
- There are no intangible assets under development as on 31st March 2024 as well as 31st March 2023.
- There were no significant events after the end of the reporting period which require any adjustment or disclosure in the financial statements.
- The Company is primarily engaged in the single segment i.e., in the business of stock broking including investment & Sale/Purchase of Shares/Securities & Derivatives. There are no separate reportable segments identified as per the Ind AS 108 - Operating segments. Further the Company does not have any reportable geographical segment. Hence segment-wise reporting has not been made.
- During the financial years ended March 31, 2024, and March 31, 2023, the company has not revalued its property, plant and Equipment.

Notes to the Standalone Financial Statements

- i) All the lease agreements are executed in favor of the Company for properties where the Company is the lessee.
- j) The Company has not been sanctioned working capital limits from Banks/financial Institutions during the financial years ending March 31, 2024, and March 31, 2023. Therefore, during the financial years ending March 31, 2024, and March 31, 2023, the company is not required to file the Quarterly return/statements of current assets with banks and financial institutions.
- k) During the financial years ended March 31, 2024, and March 31, 2023, no Scheme of Arrangements related to the company has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- l) Utilisation of Borrowed funds and share premium: -
- a) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to any other person or entity, including foreign entity (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- Directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- m) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March 2024 and 31 March 2023.
- n) The Company has not been declared willful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the year ended 31 March 2024 and 31 March 2023.
- o) There is no creation or satisfaction of charges which are pending to be filed with ROC as at 31 March 2024 and 31 March 2023.
- p) The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2024, and March 31, 2023.
- q) The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). No previously unrecorded income and related assets have been recorded in the books of account during the year.
- r) The auditors have expressed an unmodified opinion on the standalone financial statements of the Company for the financial years ended March 31, 2024, and March 31, 2023.
- s) There are no items of income and expenditure of exceptional nature for the financial years ended March 31, 2024, and March 31, 2023.
- t) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure and rounding off errors have been ignored further Previous year figures have been shown in brackets.
- u) The amounts reflected as "0" or "-" in the financial information are values with less than rupees five hundred. All amounts have been rounded to the nearest lakhs up to two decimal places, unless otherwise stated.

As per our report of even date attached

For Anil Pariek and Garg
(F.R.N.001676C)
Chartered Accountants

H. K. Pariek
(Partner)
Membership No. 070250
UDIN: 24070250BKDHYZ8444

For and on behalf of the Board

S. K. Agarwal
Managing Director
DIN:00106763

K. K. Soni
Director
DIN:00106037

A. K. Bansal
Chief Financial Officer

Vishesh Jain
Company Secretary
M.No.: A68586

Place: Kanpur
Date: 20/05/2024

Place: New Delhi
Date: 20/05/2024

VLS ASSET MANAGEMENT LTD.

Regd. Office: Ground Floor, 90, Okhla Industrial Estate, Phase-III, New Delhi 110020
 CIN: U74899DL1995PLC065812,
 E-mail: vaml@vlsfinance.com, Phone: 011-46656666

DIRECTORS' REPORT TO THE MEMBERS

Your Directors present the 29th Annual Report of your Company together with the Balance Sheet as on 31st March, 2024 and the Statement of Profit & Loss for the year ended on that date.

Financial Results

The period comprises the Financial Year from 01/04/2023 to 31/03/2024. The Company has incurred a loss of Rs. 4,110/- (Rupees Four Thousand One Hundred and Ten only) on account of administrative expenses incurred. No income was generated during the year under review. The Board has been advised that the Company, not being an Industrial Company, no reference to any authority is required to be made. The Board is in continuous efforts to identify suitable activity for operations, 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. There were no material changes or commitments affecting the financial position of the Company from the end of the financial year under review and date of this report.

Board Meetings

During the Financial Year ended 31/03/2024, 4 (Four) Board Meetings were held with one meeting in every quarter on 17/05/2023, 08/08/2023, 21/10/2023 and 23/01/2024.

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 the F. Y. 2023-24	
1	Shri S. K. Agarwal	4	17/05/2023
			08/08/2023
			21/10/2023
			23/01/2024
2	Shri K. K. Soni	4	17/05/2023
			08/08/2023
			21/10/2023
			23/01/2024
3	Shri Rajesh Jhalani	2	17/05/2023
			08/08/2023

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 the loss for the year has been transferred to other equity under the head 'Retained Earnings'.

Directors

During the year under review, there is no change in directorship of the Company. Shri Rajesh Jhalani (DIN: 00006395) 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)

The reporting of extract of Annual Return in Form No. MGT-9 had been done away with pursuant to amendment in Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 w.e.f. 28/08/2020. Hence, the reporting of extract of Annual Return has not been made in this report. The Annual Return is now required to be placed on the website of the Company, in terms of Section 92(3) read with Section 134(3)(a) of the Act and the link thereof is required to be given in the Board's Report. The Company does not have a website at present; hence, a relevant link is not given herein. The copy of Annual Return upon filing would be available for inspection of members at the Registered Office of the Company between 11:00 a.m. to 1:00 p.m. on all working days.

Contracts With Related Party

Relevant disclosures have been made under Clause 13 of the 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

SI. 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 the Company 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:

SI. 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, 2024, 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, 2024 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 25th Annual General Meeting held on 25/09/2020 for the 2nd term for a period of 5 years i.e. upto conclusion of 30th Annual General Meeting of the Company to be held in 2025. 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. The Auditors have confirmed their eligibility for continuing as Statutory Auditors for the Financial Year 2024-25 to the Company.

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. Further, the Auditors have not reported any fraud in terms of Section 143(12) of the Companies Act, 2013 to the Board.

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-I** 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 disclosures relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are accordingly not applicable. Even otherwise, no complaint was received in this regard during the year under review.
- 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 43(a) 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 Section 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. Further, no orders by any regulator/court/tribunal etc. had been passed during the year under review which would adversely affect the operations or going concern status of the Company.
- Your Company has not undertaken any Corporate Social Responsibility initiative as the relevant provisions are not applicable to the Company as per Section 135 of the Companies Act, 2013.
- Provisions for appointment of Independent Directors are not applicable to your Company nor it is covered under clause no. (d), (e) and (p) of subsection (3) of Section 134 and Sections 177, 178, 203 and 204 of the Companies Act, 2013.
- The Company had no subsidiaries and associates as defined under the Companies Act, 2013 during the year under review. Further, provisions relating to maintenance of cost records in terms of Section 148(1) of the Companies Act, 2013 are not applicable to the Company.
- During the year under review, neither any application has been made nor any proceeding was pending against the Company under Insolvency and Bankruptcy Code, 2016. Further, no loan from Bank or financial institution was obtained in the said year and therefore, the provision relating to disclosure of variation in valuation in terms Rule 8 (5) (XII) of Companies (Accounts) Rules, 2014 is not applicable for the said Financial Year.

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	Rajesh Jhalani	K. K. Soni
Date : 22/05/2024	Director	Director
	DIN: 00006395	DIN: 00106037

Annexure-I

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, 2024.

CONSERVATION OF ENERGY

- | | |
|---------------------------------------------------------------------------------------------------------------------|-------|
| a) Energy conservation measure taken | : Nil |
| b) Proposals under implementation for reduction in consumption of energy or utilizing alternative sources of energy | : Nil |
| c) Capital investment on energy conservation equipments | : 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	Rajesh Jhalani	K. K. Soni
Date : 22/05/2024	Director	Director
	DIN: 00006395	DIN: 00106037

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 financial statements of **VLS Asset Management Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and 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, 2024 and its loss, total comprehensive loss, 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 ("SA"s) specified under section 143(10) of the Act. 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 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the 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 financial statements of the current period. These matters were addressed in the context of our audit of financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We Reporting of Key Audit matters as per SA 701 - 'Key Audit Matters' are not applicable to the Company as it is unlisted company.

Information Other than the 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the consolidated financial statements, 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 Responsibilities for the 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, including other comprehensive income, changes in equity and cash flows of the Company in accordance 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. 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 financial statements 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the 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 control 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 with reference to financial statements 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.

Materiality is the magnitude of misstatements in the 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, 2020 ("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 1" a statement on the matters specified in paragraphs 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 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section of 197(16) of the Act, as amended;

As the Company has not paid any Managerial Remuneration to its directors, the provisions of Section 197 relating to managerial remuneration are not applicable to it.

- 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, as amended, 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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. No dividend has been declared or paid during the year by the Company;
 - vi. Based on our examination of the books of account produced before us, the company has maintained manual books of account, therefore reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable in the case of the company.

For **Agiwal & Associates**
Chartered Accountants
ICAI Firm Registration Number: 000181N

CA P.C. Agiwal
Partner
Membership Number: 080475
UDIN: 24080475BKFKZQ6494

Place: New Delhi
Date: 22/05/2024

Annexure '1' to the Independent Auditor's Report
(Referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our report to the Member of VLS Asset Management Limited of even date)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company does not have any Property, Plant and Equipment, hence reporting under clause 3(i)(a)(A) of the Order is not Applicable.
 - (B) The Company does not have any Intangible Assets, hence reporting under clause 3(i)(a)(B) of the Order is not Applicable.
 - (b) The Company does not have any Property, Plant and Equipment, hence reporting under clause 3(i)(b) of the Order is not Applicable.
 - (c) The Company does not have any immovable property hence reporting under clause 3(i)(c) of the Order is not Applicable.
 - (d) The Company does not have any Property, Plant and Equipment, hence reporting under clause 3(i)(d) of the Order is not Applicable.
 - (e) The Company does not have any Property, Plant and Equipment, hence reporting under clause 3(i)(e) of the Order is not Applicable.
- ii. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not Applicable.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has not made any investment in or provided any loan or advances to, companies, firms, Limited Liability Partnerships and granted unsecured loans to other parties, during the year, hence reporting under clause 3(iii)(a) to (f) of the Order is not applicable to the Company.
- iv. There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
 - a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of

Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No frauds by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The provision regarding Internal Audit is not applicable to the company, hence reporting under clause xiv(a) and xiv (b) is not made.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provision of section 192 of the Companies Act, 2013 are not applicable to the Company.

- xvi. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), and (c) of the Order is not applicable.
- b) In our opinion, there is no core investment company with in the group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses of Rs. 0.04 lakh during the financial year covered under our audit and cash losses of Rs. 0.05 lakh during the immediately preceding the financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. As per our information and explanation given, the company does not fall under the criteria of Section 135 of Companies Act, 2013 for CSR activities. Hence, this clause of report is not applicable to the company.

For **Agiwal & Associates**
Chartered Accountants
ICAI Firm Registration Number: 000181N

CA P.C. Agiwal
Partner
Membership Number: 080475
UDIN: 24080475BKFKZQ6494

Place: New Delhi
Date: 22/05/2024

Annexure '2' to the Independent Auditor's Report

(Referred to in paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report to the Members of VLS Asset Management Limited of even date)

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 March 31, 2024 in conjunction with our audit of the Ind As 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, 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 judgement, 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 with reference to these financial statements.

Meaning of Internal Financial Controls over these Financial Reporting

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 ICAI.

For **Agiwal & Associates**
Chartered Accountants
ICAI Firm Registration Number: 000181N

CA P.C. Agiwal
Partner
Membership Number: 080475
UDIN: 24080475BKFKZQ6494

Place: New Delhi
Date: 22/05/2024

Statement of Profit and Loss for the year ended 31st March, 2024

		(₹ in lakhs)		
	Particulars	Note No	For the year ended 31st March 2024	For the year ended 31st March 2023
I	Revenue From Operations			
(i)	Interest Income	9	-	-
(ii)	Dividend Income		-	-
(iii)	Net Gain on Fair Value Changes		-	-
	Total Revenue From Operations (I)		-	-
II	Other Income	10	-	-
	Total Other Income (II)		-	-
III	Total Income (I+II)		-	-
IV	Expenses			
(i)	Employee benefits expense		-	-
(ii)	Depreciation and amortization expense		-	-
(iii)	Other expenses	11	0.04	0.05
	Total expenses (IV)		0.04	0.05
V	Profit/(loss) before exceptional items and tax (III- IV)		(0.04)	(0.05)
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		(0.04)	(0.05)
VIII	Tax expense:		-	-
	(1) Current tax		-	-
	(2) Deferred tax		-	-
IX	Profit/ (Loss) for the period (VII-VIII)		(0.04)	(0.05)
X	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		-	-
XI	Other comprehensive income / (loss) (i+ii)		-	-
XII	Total Comprehensive Income for the period (IX+XI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(0.04)	(0.05)
XIII	Earnings per equity share			
	(1) Basic Rs.		(0.06)	(0.06)
	(2) Diluted Rs.		(0.06)	(0.06)

Balance Sheet as at 31st March, 2024

		(₹ in lakhs)		
	Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
	ASSETS			
(1)	FINANCIAL ASSETS			
(a)	Cash and cash equivalents	4	0.16	0.16
			0.16	0.16
(2)	NON-FINANCIAL ASSETS			
(a)	Property, Plant and Equipment		-	-
			-	-
	Total Assets		0.16	0.16
	LIABILITIES AND EQUITY			
(1)	FINANCIAL LIABILITIES			
(a)	Other financial liabilities	5	-	-
			-	-
(2)	NON-FINANCIAL LIABILITIES			
(a)	Other non-financial liabilities	6	9.64	9.60
			9.64	9.60
	EQUITY			
(a)	Equity Share capital	7	7.07	7.07
(b)	Other Equity	8	(16.55)	(16.51)
			(9.48)	(9.44)
	Total Liabilities and Equity		0.16	0.16

Significant Accounting Policies and Notes forming part of Financial Statement 1 to 17

Significant Accounting Policies and Notes forming part of Financial Statement 1 to 17

As per our report of even date attached
For Agiwal & Associates
Chartered Accountants
(F.R.N.000181N)

For and on behalf of the Board

P.C.Agiwal
Partner
Membership No. 080475
UDIN: 24080475BKFKZQ6494
Place : New Delhi
Date : 22/05/2024

Rajesh Jhalani K. K. Soni
Director Director
DIN:00006395 DIN:00106037

As per our report of even date attached
For Agiwal & Associates
Chartered Accountants
(F.R.N.000181N)

For and on behalf of the Board

P.C.Agiwal
Partner
Membership No. 080475
UDIN: 24080475BKFKZQ6494
Place : New Delhi
Date : 22/05/2024

Rajesh Jhalani K. K. Soni
Director Director
DIN:00006395 DIN:00106037

Cash Flow Statement for the year ended 31st March, 2024

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	(0.04)	(0.05)
Adjustment for:		
	-	-
Operating profit	(0.04)	(0.05)
Adjustment for working capital changes		
(Increase) / decrease in loans	0.04	0.05
Cash generated / (used) from operations	-	-
Direct taxes paid net	-	-
Net cash generated / (used) from operating activities (A)	-	-
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net cash generated / (used) from investing activities (B)	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net cash generated / (used) from financing activities (c)	-	-
Net increase / (decrease) in cash and cash equivalents during the year (A + B + C)	-	-
Cash and cash equivalents as at beginning of the year	0.16	0.16
Cash and cash equivalents as at end of the year :	0.16	0.16
Cash in hand	-	-
Scheduled bank - In current account	0.16	0.16
Total	0.16	0.16
Reconciliation of cash and cash equivalents as above with cash and bank balances (also refer note no. 4)		
Cash and cash equivalents as at end of the year as per above	0.16	0.16
Add:- Fixed deposit with banks	-	-
Add:- Unpaid dividend account	-	-
Total cash and bank balances equivalents as at end of the year	0.16	0.16

Significant Accounting Policies and Notes forming part of accounts

As per our report of even date attached

For Agiwal & Associates
 Chartered Accountants
 (F.R.N.000181N)

For and on behalf of the Board
P.C.Agiwal
 Partner
 Membership No. 080475
 UDIN: 24080475BKFKZQ6494
 Place : New Delhi
 Date : 22/05/2024

Rajesh Jhalani **K. K. Soni**
 Director Director
 DIN:00006395 DIN:00106037

Statement of Changes in Equity for the year ended 31st March,2024
A. Equity Share Capital
(1) Current reporting period

(₹ in lakhs)

Balance as at 1st April, 2023	Changes in Equity Share Capital due to prior period errors	Restated Balance as at 1st April, 2023	Changes in equity share capital during the current year	Balance as at 31st March, 2024
7.07	-	7.07	-	7.07

(2) Previous reporting period

(₹ in lakhs)

Balance at 1st April, 2023	Changes in Equity Share Capital due to prior period errors	Restated Balance as at 1st April, 2022	Changes in equity share capital during the previous year	Balance as at 31st March, 2023
7.07	-	7.07	-	7.07

B. Other Equity
(1) Current reporting period

(₹ in lakhs)

Particulars	Retained Earnings	Other Comprehensive Income		
		Fair Value Gain on Equity Instruments through Other Comprehensive Income	Remeasurement of Defined Benefit Plans	Total
Balance as at 1st April, 2023	(16.51)	-	-	(16.51)
Changes in accounting policy/ prior period errors	-	-	-	-
Restated balance as at 1st April, 2023	(16.51)	-	-	(16.51)
Profit for the year	(0.04)	-	-	(0.04)
Other Comprehensive Income (net of tax)	-	-	-	-
Total comprehensive income for the current year	(0.04)	-	-	(0.04)
Dividends	-	-	-	-
Transfer to/ from retained earnings	-	-	-	-
Any other change (to be specified)	-	-	-	-
Balance as at 31st March, 2024	(16.55)	-	-	(16.55)

(2) Previous reporting period

(₹ in lakhs)

Particulars	Retained Earnings	Other Comprehensive Income		
		Fair Value Gain on Equity Instruments through Other Comprehensive Income	Remeasurement of Defined Benefit Plans	Total
Balance as at 1st April, 2022	(16.46)	-	-	(16.46)
Changes in accounting policy/ prior period errors	-	-	-	-
Restated balance as at 1st April, 2022	(16.46)	-	-	(16.46)
Profit for the year	(0.05)	-	-	(0.05)
Other Comprehensive Income (net of tax)	-	-	-	-

(2) Previous reporting period (₹ in lakhs)

Particulars	Retained Earnings	Other Comprehensive Income		
		Fair Value Gain on Equity Instruments through Other Comprehensive Income	Remeasurement of Defined Benefit Plans	Total
Total comprehensive income for the previous year	(0.05)	-	-	(0.05)
Dividends	-	-	-	-
Transfer to/ from retained earnings	-	-	-	-
Any other change (to be specified)	-	-	-	-
Balance as at 31st March, 2023	(16.51)	-	-	(16.51)

As per our report of even date attached

For Agiwal & Associates
Chartered Accountants
(F.R.N.000181N)

P.C.Agiwal
Partner
Membership No. 080475
UDIN: 24080475BKFKZQ6494
Place : New Delhi
Date : 22/05/2024

For and on behalf of the Board

Rajesh Jhalani **K. K. Soni**
Director Director
DIN:00006395 DIN:00106037

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024
Note 1: Corporate information

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 business avenues available to it; however, no business activity could be taken up in past.

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.

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 2018, 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 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.

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. 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024
2.3.2 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
(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. 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.

(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.

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);
- Fair value through other comprehensive income (FVTOCI); or
- Amortised cost.

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.

(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, 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 recognized 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 recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss. 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 – 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 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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

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.

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 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) 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).

(iii) 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 / Server 6 years

Vehicles 8 to 10 years

Building 60 years

(iv) 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	5 Years

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.

2.12 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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

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 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.

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 unit's ("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
(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

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.

Re-measurements, 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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements 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 on-going 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 on-going 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.

PARTICULARS	(₹ in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Note - 4 Cash & Bank Balances		
Cash and Cash Equivalents		
Cash on hand	-	-
Balance with Bank		
In current account	0.16	0.16
Total	<u>0.16</u>	<u>0.16</u>

PARTICULARS	(₹ in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Note - 5 Other financial Liabilities		
Expenses Payable	-	-
Note - 6 Other non-financial liabilities		
Dues to Holding Company i.e. VLS Finance Limited	9.64	9.60
Total	<u>9.64</u>	<u>9.60</u>

NOTE - 7

Share Capital	(Shares in Nos. and ₹ in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Authorised		
1,00,00,000 Equity Shares of Rs.10/- each	1,000.00	1,000.00
	1,000.00	1,000.00
Issued, Subscribed & Paid up		
70700 Equity Shares of Rs.10/- each	7.07	7.07
	7.07	7.07

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	(Shares in Nos. and ₹ in lakhs)			
	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	Amount	No. of Shares	Amount
At the beginning of the year	70,700	7.07	70,700	7.07
Issued during the year	-	-	-	-
Outstanding at the end of the year	70,700	7.07	70,700	7.07

b. Terms/rights attached to equity shares

The Company has one class of equity shares having a par value of Rs.10 each (previous year: having at 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.

c. Shares held by holding company

Out of equity shares issued by the company, shares held by its holding company are as follows.

Particulars	As at 31st March, 2024	As at 31st March, 2023
VLS Finance Ltd.	70,100.00	70,100.00

d. Details of shareholders holding more than 5% shares in the company	No. of shares	% of holding	No. of shares	% of holding
Particulars				
VLS Finance Ltd.	70,100	99.15	70,100	99.15
Total	70,100	99.15	70,100	99.15

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024
Shareholding of promoters as at 31st March, 2024

Particulars Promoter Name	As at 31st March, 2024		As at 31st March, 2023		% Change during the year
	No. of shares held	% of holding	No. of shares held	% of holding	
VLS Finance Ltd.	70,100.00	99.15	70,100.00	99.15	-
Total	70,100.00	99.15	70,100.00	99.15	-

Shareholding of promoters as at 31st March, 2023

Particulars Promoter Name	As at 31st March 2022		As at 31st March 2023		% Change during the year
	No. of shares held	% of holding	No. of shares held	% of holding	
VLS Finance Ltd.	70,100.00	99.15	70,100.00	99.15	-
Total	70,100.00	99.15	70,100.00	99.15	-

Note 8 : Other Equity

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Retained earnings		
Balance at the beginning of the year	(16.51)	(16.46)
Add: Profit/(loss) during the year	(0.04)	(0.05)
Balance as at end of the year	(16.55)	(16.51)
Total	(16.55)	(16.51)

i) There is no changes in accounting policy and there is no prior period errors.

Nature and purpose of reserves :
i) Retained earnings:

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

(₹ in lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
-------------	------------------------------------	------------------------------------

Note - 9 Interest Income

Interest Income	-	-
Total	-	-

Note -10 Other Income

Audit Fee Payable	-	-
Total	-	-

Note - 11 Other Expenses

Filing Charges	0.02	0.05
Professional Charges	0.02	-
Total	0.04	0.05

Note 12: Deferred Tax Liability/ Deferred Tax Asset

There is no deferred tax asset/liability for the company during the year.

Note 13: Related Party Disclosures:

Pursuant to compliance of Indian Accounting Standard (Ind AS 24) on related party disclosure, the relevant information is provided here below:-

List of Related Parties & Relationships

- 1) Holding Company
Related party where control exist -VLS Finance Ltd.
- 2) Fellow Subsidiaries
 - a) VLS Securities Limited
 - b) VLS Real Estate Limited
- 3) Others
 - i) VLS Capital Ltd. : Associate of fellow subsidiary viz. VLS Securities Ltd.
 - ii) Key Managerial Personnel : Not Applicable

- iii) Mr. S. K. Agarwal : Non-Executive Director
- iv) Mr. K. K. Soni : Non-Executive Director
- v) Mr. T. B. Gupta : Non-Executive Director

Transaction during the year with the related party:-

(₹ in lakhs)

Name of Related Party	Relationship	Nature of Transaction	For the year ended 31st March 2024 #	For the year ended 31st March 2023 #
VLS Finance Limited	Holding Company	Dues to Holding Company		
		Opening Balance	9.60	9.55
		Filing fee & related expenses paid on our behalf	0.04	0.05
		Closing Balance	9.64	9.60

Notes:

- 1 The value of transaction represents the value of transaction with related party from the date the party became related party.
- 2 If the amount is less than Rs 500 then the figure is shown as "-"
- 3 The value of related party transactions are given, excluding applicable taxes if any.

Note 14: Earnings per Share (Ind AS 33)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computation.

(₹ in lakhs)

Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023
Profit attributable to equity holders of the Company: Continuing operations -A	(0.04)	(0.05)
Dilution effect	-	-
Profit attributable to equity holders adjusted for dilution effect -B	(0.04)	(0.05)
Weighted Average number of equity shares used for computing Earning Per Share - C	0.71	0.71
Earnings Per Share (Basic & Diluted) (in Rs.) D =A/C or B/C	(0.06)	(0.06)

Note 15: Other Financial Information

- a) Under the Micro, Small and Medium Enterprises Development Act, 2006

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(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'. (₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Principal amount remaining unpaid to any supplier as at the period end.	Nil	Nil
Interest due thereon	Nil	Nil
Amount of interest paid	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	Nil	Nil

b) Earnings in Foreign Currency	Nil	Nil
c) Expenditure in Foreign Currency	Nil	Nil

Note 16: Commitments and contingencies

a. Commitments:

Particulars	31 March 2024	31 March 2023
(a) Estimated amount of contracts remaining to be executed on Capital Account.	Nil	Nil
(b) Uncalled liability on shares and other investments partly paid	Nil	Nil

b. Contingent liabilities

(a) Claims against the company not acknowledged as debt;	Nil	Nil
(b) Guarantees excluding financial guarantees; and	Nil	Nil

Note 17: a) Key Ratio

S No	Particulars	As At 31st Mar 2024	As At 31st Mar 2023
1	Capital to risk- weighted assets ratio	Not Applicable *	Not Applicable *
2	Tier I CRAR	Not Applicable *	Not Applicable *
3	Tier II CRAR	Not Applicable *	Not Applicable *

* Note: As the company is not registered with RBI as NBFC by virtue of exemption given by RBI, the above ratios are not applicable to the company.

Part B

S No	Particulars	Numerator (Rs. in Lakhs)	Denominator (Rs. in Lakhs)	As at 31st Mar 2024 Ratio	As at 31st Mar 2023 Ratio	% Change from previous period in Current Year	Reason for Change in Current Year (if Change > 25 %)
				5 = 3 / 4	6	7 = (6 - 5) / 6	8
1	Return on equity (PAT / Equity) (%)	(0.04)	7.07	(0.58)	(0.58)	(9.38)	Within Limit
2	Return on Assets (PAT / Total Assets) (%)	(0.04)	0.16	(25.33)	(25.33)	(9.86)	Within Limit
3	Current Ratio (Cash, Bank, Receivables & Other Fin. Assets) / (Financial Liabilities) (times)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

- a) Since, the Company does not have any trade receivables/ trade payable as on March 31, 2024 and March 31, 2023, the disclosure relating to trade receivables ageing schedule has been dispensed with.
- b) No loans or advances in the nature of loans are granted to promoters, directors, KMPs, and the related parties, either severally or jointly with any other person during the financial years ended March 31, 2024 and March 31, 2024.
- c) The Company did not have any transactions with the Companies struck-off under Section 248 of the Companies Act, 2013 during the financial years ended March 31, 2024 and March 31, 2023.
- d) The Company does not have any subsidiaries, hence provisions of section 2(87) of the Companies Act, 2013 are not applicable on the Company.
- e) There are no intangible assets under development as on 31st March 2024 as well as 31st March 2023.
- f) There were no significant events after the end of the reporting period which require any adjustment or disclosure in the financial statements.
- g) No business activity could be taken up during the financial years ended March 31, 2024 and March 31, 2023. The Company is still exploring the business avenues available to it. Hence there is no separate reportable segments identified as per the Ind AS 108 - Operating segments. Further the Company does not have any reportable geographical segment. Hence segment-wise reporting has not been made.
- h) During the financial years ended March 31, 2024 and March 31, 2023, the company does not have any property, plant and Equipment.
- i) During the financial years ended March 31, 2024 and March 31, 2023, the company does not have any property where the Company is a lessee.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

- j) The Company has not been sanctioned working capital limits from Banks/financial Institutions during the financial years ending March 31, 2024 and March 31, 2023. Therefore, during the financial years ending March 31, 2024 and March 31, 2023, the company is not required to file the Quarterly return/ statements of current assets with banks and financial institutions.
- k) During the financial years ended March 31, 2024 and March 31, 2023, no Scheme of Arrangements related to the company has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- l) Utilisation of Borrowed funds and share premium: -
- a) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to any other person or entity, including foreign entity (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- ii. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- i. Directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- m) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March 2024 and 31 March 2023.
- n) The Company has not been declared willful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the year ended 31 March 2024 and 31 March 2023.
- o) There is no creation or satisfaction of charges which are pending to be filed with ROC as at 31 March 2024 and 31 March 2023.
- p) The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2024 and March 31, 2023.
- q) The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). No previously unrecorded income and related assets have been recorded in the books of account during the year.
- r) The auditors have expressed an unmodified opinion on the standalone financial statements of the Company for the financial years ended March 31, 2024 and March 31, 2023.
- s) The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from 1st April 2014. The provisions of the said section in not applicable the Company during the financial year ended March 31, 2024 and March 31, 2023.
- t) There are no items of income and expenditure of exceptional nature for the financial years ended March 31, 2024 and March 31, 2023.
- u) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure and rounding off errors have been ignored further Previous year figures have been shown in brackets.
- v) The amounts reflected as "0" or "-" in the financial information are values with less than rupees five hundred. All amounts have been rounded to the nearest lakhs up to two decimal places, unless otherwise stated.

As per our report of even date

For Agiwal & Associates For and on behalf of the Board of Directors
Chartered Accountants
(F.R.N.000181N)

P.C. Agiwal
Partner
Membership No.080475
UDIN: 24080475BKFQZQ6494

Rajesh Jhalani
Director
DIN:00006395

K. K. Soni
Director
DIN: 00106037

Place: New Delhi
Date: 22/05/2024

**VLS REAL ESTATE LIMITED**

**Registered office: Ground Floor, 90, Okhla Industrial Estate, Phase-III,
New Delhi 110020.**

CIN: U64990DL2021PLC376479,

Email: vrel@vlsfinance.com, Phone: 011-46656666

DIRECTORS' REPORT

To the Members,

Your Directors' are pleased to present the 3rd Annual Report of your Company together with the Balance Sheet as on 31st March, 2024 and the Statement of Profit & Loss for the year ended on that date.

Financial Summary

The Company has incurred a Loss of Rs. 20,018 (Rupees Twenty Thousand and Eighteen) during the financial year under review. The Board is in continuous efforts to identify suitable activity for operation keeping in view the means available. Accordingly, the Company is being viewed as a going concern.

Further, the Financial Statements of the Company have been prepared on the basis of the going concern assumption 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.

There were no material changes or commitments affecting the financial position of the Company from the end of financial year under review and date of this report.

Change in the nature of Business

Ever since the incorporation of the Company, due to post-effects of COVID-19 pandemic, the overall scenario in the real estate sector was not perceived to be encouraging for quite some time and after considering investment opportunities available in the market as well, the Company was looking for inorganic growth via rebooting its operational activities.

The Management had various investment proposals and visions which would have been profitable for the Company as a part of its restructured/diversification plans. For this purpose, the Objects Clause of the Memorandum of Association of the Company ('MOA'), which was restricted to the real estate sector, was required to be comprehensive to cover a wide range of activities to enable the Company to consider embarking upon new activities.

Considering the same, the Members in its Extra Ordinary General Meeting held on Monday, 18th March 2024 had approved the alteration of the object clause of the Memorandum of Association to change the business arena of the Company by moving more towards the financial investment sector. The change of the object clauses facilitates diversification and enables the Company to enlarge its area of operations while perceiving good opportunities and carrying on its business economically and efficiently.

State of the Company's affairs

In view of the proposed change in the main objects of the Memorandum of Association of the Company, it was imperative to change the name of the Company to conform to the regulations besides the new name would give better representation in the Public.

Considering the same, the Company is in process of changing its name from 'VLS REAL ESTATE LIMITED' to 'VLS SUNNIVESH LIMITED', for which the approval of the requisite Members has been received in the Extra Ordinary General Meeting held on Monday, 18th March 2024.

Dividend/Reserves

No dividend has been recommended by the Board in view of loss and the said loss for the year has been transferred to other equity under the head 'Retained Earnings'. Accordingly, no amount has been transferred to general reserve in view of loss.

Directors

During the financial year under review, Ms. Divya Mehrotra (DIN: 00006494) ceased to be a Director of the Company due to her sad demise on 04/01/2024.

Further, post financial year and till the date of this report, following changes took place in the Board of the Company:

1. Appointment of Shri Keshav Tandan (DIN: 10450801) as an Additional Director in the category of Non-Executive, Non-Independent Director w.e.f. 04/04/2024.
2. Appointment of Shri Rajesh Jhalani (DIN: 00006395) as an Additional Director in the category of Non-Executive, Non-Independent Director w.e.f. 04/04/2024.
3. Cessation of Shri Mahesh Prasad Mehrotra (DIN: 00016768) due to his sad demise on 05/04/2024.

Shri Kishan Kumar Soni (DIN: 00106037) 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.

Further, the tenure of Shri Keshav Tandan (DIN: 10450801) and Shri Rajesh Jhalani (DIN: 00006395) will be upto the date of ensuing Annual General Meeting and they seek appointment as Director of the Company liable to retire by rotation. A proposal from a member has been received under Section 160 of the Companies Act, 2013 for appointment of Shri Keshav Tandan and Shri Rajesh Jhalani as Director liable to retire by rotation. Your Directors recommend the proposed appointment of Shri Keshav Tandan and Shri Rajesh Jhalani as Directors liable to retire by rotation in order to have their continuous guidance in management of affairs of the Company.

Board Meetings

During the year under review, 5 (Five) Board Meetings were held with one meeting in first 3 (three) quarters on 17/05/2023, 08/08/2023 and 21/10/2023 and two meetings in last quarter on 23/01/2024 (Post Adjournment – 24/01/2024) and 15/03/2024.

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 the period i.e.	01/04/2023 – 31/03/2024
1.	Shri S. K. Agarwal	5	17/05/2023
			08/08/2023
			21/10/2023
			23/01/2024
			15/03/2024
2.	Shri K. K. Soni	5	17/05/2023
			08/08/2023
			21/10/2023
			23/01/2024
			15/03/2024
3.	Shri Mahesh Prasad Mehrotra*	2	17/05/2023
			08/08/2023
4.	Ms. Divya Mehrotra**	0	-

* Shri Mahesh Prasad Mehrotra – Director of the Company left for his heavenly abode on 05/04/2024. Accordingly, he ceased to be Director of the Company from the same date.

** Ms. Divya Mehrotra – Director of the Company left for her heavenly abode on 04/01/2024. Accordingly, she ceased to be Director of the Company from the same date.

Internal Financial Control Systems

The Company has in place a proper and adequate system of internal financial 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 approved by the Board.

Annual Return Extract (MGT-9)

The reporting of extract of Annual Return in Form No. MGT-9 had been done away with pursuant to amendment in Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 w.e.f. 28/08/2020. Hence, the reporting of extract of Annual Return has not been made in this report. The Annual Return is now required to be placed on the website of the Company, in terms of Section 92(3) read with Section 134(3)(a) of the Act and link thereof is required to be given in the Board's Report. The Company does not have a website at present; hence, relevant link is not given herein. The copy of Annual Return of the Company as on 31/03/2023 is available for inspection of members at the Registered Office of the Company between 11:00 a.m. to 1:00 p.m. on all working days.

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, 2024, the applicable accounting standards have been followed.
- 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 under review and of the loss 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 2024 on a 'going concern' basis.
- e. 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.

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.

Auditors

The Members of the Company had appointed M/s. Agiwal & Associates-Chartered Accountants (FRN: 000181N) as Statutory Auditors in its First Annual General Meeting held on 09/09/2022 for the 1st term for a period of 5 years i.e. upto conclusion of 6th Annual General Meeting of the Company to be held in the Calendar Year 2027. 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. The Auditors have confirmed their eligibility for continuing as Statutory Auditors for the year 2024-25 to the Company.

Contracts With Related Party

The Company for its financial requirements may approach VLS Finance Ltd., the holding Company inter-alia for securing funds for intended activities to be undertaken by it from time to time. Though the transaction of reimbursement of expenses to VLS Finance Ltd. the Holding Company and related party had been made during the previous year, the same being at arm's length basis is outside the purview of Section 188 of the Companies Act, 2013 and did not require disclosure under the same. Further, there was no outstanding balance as at 31/03/2023 nor any other transaction covered in category of related party transaction was made during the year 2023-24. The details mentioned in Note No. 8 of Annual Accounts are in terms of applicable Ind AS.

Disclosure in form AOC-2 for related party transactions annexed hereto.

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	-
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	-
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	-

Sl. No.	Particulars	Details
g)	Date(s) of approval by the Board	-
h)	Amount paid during the year	-

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 Financial Year under review. Further, the Auditors have not reported any fraud in terms of Section 143(12) of the Companies Act, 2013 to the Board.

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-1** to this report.
- There was no employee on the roll of the Company during the year under review. 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 the ratio of the remuneration of each director to the median employee's remuneration is also not applicable. The disclosures relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are accordingly not applicable. Even otherwise, no complaint was received in this regard during the year under review.
- 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 43(a) and 62(1) (b) of the Companies Act, 2013 during the year under review.
- There was no 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 the Companies Act, 2013 during the year under review, as there is no employee on the rolls of the Company.
- No revision of financial statements or Board's Report has been made in terms of Section 131(1) of the Companies Act, 2013. Further, no orders by any regulator/court/tribunal etc. had been passed during the year under review which would adversely affect the operations or going concern status of the Company.
- Your Company has not undertaken any Corporate Social Responsibility initiative as the relevant provisions are not applicable to the Company as per Section 135 of the Companies Act, 2013.
- Provisions for appointment of Independent Directors are not applicable to your Company nor it is covered under clause no. (d), (e) and (p) of sub-section (3) of Sections 134 and Sections 177, 178, 203 and 204 of the Companies Act, 2013.
- The Company does not have or had subsidiaries and associates as defined under the Companies Act, 2013 during the year under review. Further, provision relating to maintenance of cost records in terms of Section 148(1) of the Companies Act, 2013 are not applicable to the Company.
- Neither any application has been made nor any proceeding is pending under Insolvency and Bankruptcy Code, 2016 during the year under review. Further no loan from Bank or financial institution was obtained in the said year and therefore, the provision relating to disclosure of variation in valuation in terms Rule 8 (5) (XII) of the Companies (Accounts) Rules, 2014 is not applicable for the year under review.

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 : 22/05/2024

Rajesh Jhalani **K. K. Soni**

Director **Director**

DIN: 00006395 **DIN: 00106037**

**Annexure-1****Annexure to Directors' Report**

Information as per Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and forming part of Directors' Report for the Financial Year ended 31st March, 2024.

CONSERVATION OF ENERGY

- | | |
|---------------------------------------------------------------------------------------------------------------------|-------|
| a) Energy conservation measure taken | : Nil |
| b) Proposals under implementation for reduction in consumption of energy or utilizing alternative sources of energy | : Nil |
| c) Capital investment on energy conservation equipments | : 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	K. K. Soni	Rajesh Jhalani
Date : 22/05/2024	Director	Director
	DIN: 00106037	DIN: 00006395

INDEPENDENT AUDITOR'S REPORT

To the Members of VLS Real Estate Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of **VLS Real Estate Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and 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, 2024 and its loss, total comprehensive loss, 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 ("SA"s) specified under section 143(10) of the Act. 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 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the 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 financial statements of the current period. These matters were addressed in the context of our audit of financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We Reporting of Key Audit matters as per SA 701 - 'Key Audit Matters' are not applicable to the Company as it is unlisted company.

Information Other than the 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the consolidated financial statements, 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 Responsibilities for the 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, including other comprehensive income, changes in equity and cash flows of the Company in accordance 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. 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 financial statements 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the 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 control 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 with reference to financial statements 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.

Materiality is the magnitude of misstatements in the 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, 2020 ("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 1" a statement on the matters specified in paragraphs 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 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section of 197(16) of the Act, as amended;

As the Company has not paid any Managerial Remuneration to its directors, the provisions of Section 197 relating to managerial remuneration are not applicable to it.
 - 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, as amended, 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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination of the books of account produced before us, the company has maintained manual books of account, therefore reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable in the case of the company.

For **Agiwal & Associates**

Chartered Accountants

ICAI Firm Registration Number: 000181N

CA P.C. Agiwal

Partner

Membership Number: 080475

UDIN: 24080475BKFKZR7465

Place: New Delhi

Date: 22/05/2024

Annexure '1' to the Independent Auditor's Report

(Referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our report to the Member of VLS Real Estate Limited of even date)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company does not have any Property, Plant and Equipment, hence reporting under clause 3(i)(a)(A) of the Order is not Applicable.
 - (B) The Company does not have any Intangible Assets, hence reporting under clause 3(i)(a)(B) of the Order is not Applicable.
 - (b) The Company does not have any Property, Plant and Equipment, hence reporting under clause 3(i)(b) of the Order is not Applicable.



- (c) The Company does not have any immovable property hence reporting under clause 3(i)(c) of the Order is not Applicable.
- (d) The Company does not have any Property, Plant and Equipment, hence reporting under clause 3(i)(d) of the Order is not Applicable.
- (e) The Company does not have any Property, Plant and Equipment, hence reporting under clause 3(i)(e) of the Order is not Applicable.
- ii. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not Applicable.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has not made any investment in or provided any loan or advances to, companies, firms, Limited Liability Partnerships and granted unsecured loans to other parties, during the year, hence reporting under clause 3(iii)(a) to (f) of the Order is not applicable to the Company.
- iv. There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a) No frauds by the Company and no fraud on the Company has been noticed or reported during the year.
- b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The provision regarding Internal Audit is not applicable to the company, hence the reporting under clause xiv(a) and xiv(b) is not made.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provision of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), and (c) of the Order is not applicable.
- b) In our opinion, there is no core investment company with in the group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses of Rs.0.20 Lakh during the financial year covered under our audit whereas cash loss of Rs.0.05 Lakh in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. As per our information and explanation given, the company does not fall under the criteria of Section 135 of Companies Act, 2013 for CSR activities. Hence, this clause of report is not applicable to the company.

For Agiwal & Associates

Chartered Accountants

ICAI Firm Registration Number: 000181N

CA P.C. Agiwal

Partner

Membership Number: 080475

UDIN: 24080475BKFKZR7465

Place: New Delhi

Date: 22/05/2024

**Annexure '2' to the Independent Auditor's Report**

(Referred to in paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report to the Members of VLS Real Estate Limited of even date)

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 Real Estate Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind As 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, 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 judgement, 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 with reference to these financial statements.

Meaning of Internal Financial Controls over these Financial Reporting

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with

reference to financial statements 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 to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 ICAI.

For Agiwal & Associates

Chartered Accountants

ICAI Firm Registration Number: 000181N

CA P.C. Agiwal

Partner

Membership Number: 080475

UDIN: 24080475BKFKZR7465

Place: New Delhi

Date: 22/05/2024

Balance Sheet as at 31st March, 2024

(₹ in lakhs)

	Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
	ASSETS			
(1)	Non-current assets		-	-
(2)	Current assets			
	(a) Financial Assets			
	(i) Cash and cash equivalents	3	3.69	3.89
			3.69	3.89
	Total Assets		3.69	3.89
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share capital	4	10.00	10.00
	(b) Other Equity	5	(6.31)	(6.11)
			3.69	3.89
	LIABILITIES			
(1)	(a) Non-current liabilities		-	-
			-	-
(2)	(b) Current Liabilities		-	-
			-	-
	Total Equity and Liabilities		3.69	3.89

Significant Accounting Policies and Notes forming part of Financial Statement 1-12

As per our report of even date attached
For Agiwal & Associates
(F.R.N.000181N)
Chartered Accountants

For and on behalf of the Board

P.C.Agiwal
Partner
Membership No. 080475
UDIN: 24080475BKFKZR7465

Rajesh Jhalani **K. K. Soni**
Director Director
DIN: 00006395 DIN:00106037

Place : New Delhi
Date : 22/05/2024

**Statement of Profit and Loss for the year ended 31st March, 2024****Cash Flow Statement for the year ended 31st March, 2024**

(₹ in lakhs)

(₹ in lakhs)

	Particulars	Note No	For the period ended 31st March 2024	For the period ended 31st March 2023
I	Revenue From Operations		-	-
	Total Revenue From Operations (I)		-	-
II	Other Income		-	-
	Total Other Income (II)		-	-
III	Total Income (I+II)		-	-
IV	EXPENSES			
	(i) Other expenses	6	0.20	0.05
	Total expenses (IV)		0.20	0.05
V	Profit/(loss) before exceptional items and tax (I- IV)		(0.20)	(0.05)
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		(0.20)	(0.05)
VIII	Tax expense:		-	-
	(1) Current tax		-	-
	(2) Deferred tax		-	-
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		(0.20)	(0.05)
X	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 (expense)/credit relating to items that will not be reclassified to profit or loss		-	-
	Total (A)		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	Total (B)		-	-
	Total Other Comprehensive Income (A+B)		-	-
XI	Total Comprehensive Income for the period (IX+XI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(0.20)	(0.05)
XII	Earnings per equity share			
	(1) Basic		(0.20)	(0.05)
	(2) Diluted		(0.20)	(0.05)

Significant Accounting Policies and Notes forming part of Financial Statement

1-12

As per our report of even date attached
For Agiwal & Associates
(F.R.N.000181N)
Chartered Accountants

For and on behalf of the Board

P.C.Agiwal
Partner
Membership No. 080475
UDIN: 24080475BKFKZR7465

Rajesh Jhalani
Director
DIN: 00006395

K. K. Soni
Director
DIN:00106037

Place : New Delhi
Date : 22/05/2024

Particulars	For the period ended 31st March 2024	For the period ended 31st March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	(0.20)	(0.05)
Adjustment for:		
Operating profit	(0.20)	(0.05)
Adjustment for working capital changes		
Cash generated / (used) from operations	(0.20)	(0.05)
Direct taxes paid net	-	-
Net cash generated / (used) from operating activities (A)	(0.20)	(0.05)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net cash generated / (used) from investing activities (B)	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issued of equity shares	-	-
Net cash generated / (used) from financing activities (c)	-	-
Net increase / (decrease) in cash and cash equivalents during the year (A +B + C)	0.20	0.05
Cash and cash equivalents as at beginning of the year	3.89	3.94
Cash and cash equivalents as at end of the year :	3.69	3.89
Cash in hand	-	-
Scheduled bank - In current account	3.69	3.89
Total	3.69	3.89
Reconciliation of cash and cash equivalents as above with cash and bank balances (also refer note no.2.13)		
Cash and cash equivalents as at end of the year as per above	3.69	3.89
Add:- Fixed deposit with banks	-	-
Add:- Unpaid dividend account	-	-
Total cash and bank balances equivalents as at end of the year	3.69	3.89

Significant Accounting Policies and Notes forming part of Financial Statement 1 to 12

As per our report of even date attached
For Agiwal & Associates
(F.R.N.000181N)
Chartered Accountants

For and on behalf of the Board

P.C.Agiwal
Partner
Membership No. 080475
UDIN: 24080475BKFKZR7465

Rajesh Jhalani
Director
DIN: 00006395

K. K. Soni
Director
DIN:00106037

Place : New Delhi
Date : 22/05/2024

Statement of Changes in Equity for the year ended 31st March, 2024
A. Equity Share Capital
Current reporting period

(₹ in lakhs)

Balance as at 31st March, 2023	Changes in Equity Share Capital due to prior period errors	Restated Balance as at 1st April, 2023	Changes in equity share capital during the current year	Balance as at 31st March, 2024
10.00	-	10.00	-	10.00

(2) Previous reporting period

(₹ in lakhs)

Balance as at 31st March, 2022	Changes in Equity Share Capital due to prior period errors	Restated Balance as at 1st April, 2022	Changes in equity share capital during the current year	Balance as at 31st March, 2023
10.00	-	10.00	-	10.00

B. Other Equity
Current reporting period

(₹ in lakhs)

Particulars	Retained Earnings	Other Comprehensive Income		
		Fair Value Gain on Equity Instruments through Other Comprehensive Income	Remeasurement of Defined Benefit Plans	Total
Balance as at 1st April, 2023	(6.11)	-	-	(6.11)
Changes in accounting policy/ prior period errors	-	-	-	-
Balance as at 1st April, 2023	(6.11)	-	-	(6.11)
Profit for the year	(0.20)	-	-	(0.20)
Other Comprehensive Income (net of tax)	-	-	-	-
Total comprehensive income for the current year	(0.20)	-	-	(0.20)
Balance as at 31st March, 2024	(6.31)	-	-	(6.31)

(2) Previous reporting period

(₹ in lakhs)

Particulars	Retained Earnings	Other Comprehensive Income		
		Fair Value Gain on Equity Instruments through Other Comprehensive Income	Remeasurement of Defined Benefit Plans	Total
Balance as at 1st April, 2022	(6.06)	-	-	(6.06)
Changes in accounting policy/ prior period errors	-	-	-	-
Balance as at 1st April, 2022	(6.06)	-	-	(6.06)
Profit for the year	(0.05)	-	-	(0.05)
Other Comprehensive Income (net of tax)	-	-	-	-
Total comprehensive income for the previous year	(0.05)	-	-	(0.05)
Balance as at 31st March, 2023	(6.11)	-	-	(6.11)

As per our report of even date attached

For Agiwal & Associates

(F.R.N.000181N)

Chartered Accountants

For and on behalf of the Board
P.C.Agiwal

Partner

Membership No. 080475

UDIN: 24080475BKFKZR7465

Place : New Delhi

Date : 22/05/2024

Rajesh Jhalani

Director

DIN: 00006395

K. K. Soni

Director

DIN:00106037

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 Contd...
1. Corporate Information

VLS Real Estate Limited is a wholly-owned subsidiary of VLS Finance Limited., incorporated on 3rd February, 2021. The main objects of the company is to engage in Real Estate activities.

2. Significant Accounting Policies
2.1 Statement of Compliance with Ind AS

The financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

2.2 Basis of Preparation of Financial Statements

These financial statements are prepared on the accrual basis of accounting, under the historical cost convention which shall be followed unless required otherwise under any regulation or if any variation therefrom is approved by the Board.

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The Company is covered in the definition of Real Estate activities AS defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division II of Schedule II 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.

2.3 Use of Estimates

The preparation of the Financial Statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the period. Management believes that the estimates made in the preparation of the financial statements are prudent and reliable. Actual results might differ from the estimates. Difference between the actual results and estimates are recognized in the period in which results are known / materialized.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 Contd...
2.4 Revenue Recognition and Expenses

Revenue on supply and service contracts are recognized as the related performance obligation is completed.

2.5 Expenses

All expenses are accounted for on accrual basis.

2.6 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided by the management after discussion with and approval by the Company's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.7 Financial instruments

Financial assets and financial liabilities are recognised in the Balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value.

Financial assets
Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. The financial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balances and derivative financial instruments.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- 1) At amortised cost,
- 2) At fair value through other comprehensive income (FVTOCI), and
- 3) At fair value through profit or loss (FVTPL).

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- 1) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and
- 2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest 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.

Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value except in case of investment in subsidiary carried at deemed cost and associate carried at cost.

Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in profit or loss. The Company may make an irrevocable election to present in OCI subsequent changes in the fair value.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. When the fair value has been determined based on level 3 inputs, the difference between the fair value at initial recognition and the transaction price is deferred and after initial recognition deferred difference is recognised as gain or loss to the extent it arises from change in input to valuation technique. If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI.

There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

De-recognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

2.8 Taxes on Income
(a) Current Tax

Tax on income for the current period is determined on the basis of taxable income computed in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which give future economic benefit in the form of adjustment to future income tax liability is considered as an asset to the extent there is convincing evidence that the company will pay normal income tax.

(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statement and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction (other than a business combination) affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognised for the carry forward of unused tax losses and unused tax credit to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. 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.

Deferred tax liabilities are generally recognised on all taxable temporary differences.

2.9 Impairment of Non-financial Assets

- No financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.
- An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount, costs of disposal and value in use.
- For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or group of assets (cash generating units).
- Non financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.10 Provisions, Contingent Liabilities and Contingent Assets

- Provision is recognized in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable.
- Provision is recognized in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.
- Provisions are not recognised for future operating losses.
- Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.
- A contingent asset is not recognized in the financial statements.
- Provisions and contingent liabilities are reviewed at each balance sheet date.

2.11 Earnings Per Share

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

2.12 Cash and Cash Equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management

2.13 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and item of income or expenses associated with investing or financing flows. The cash flows operating, investing and financing activities of the company are segregated.

2.14 Estimated fair value of unlisted securities

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets is determined using valuation techniques including the net assets value (NAV) model. The management uses its judgment to select a variety of method / methods and make assumptions that are mainly based on market conditions existing at the end of each financial year. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.15 Insurance claims and liquidated damages

Insurance claims are accounted as and when admitted/settled. Subsequent changes in value, if any, are provided for.

2.16 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.

(₹ in lakhs)

PARTICULARS	As at	As at
	31st March, 2024	31st March, 2023
Note - 3 Cash and Cash Equivalents		
Cash & Bank Balances		
Cash on hand	0.01	-
Balance with Bank		
In current account	3.68	3.89
Total	3.69	3.89

NOTE - 4
(Shares in Nos. and ₹ in lakhs)

Share Capital	As at	As at
	31st March, 2024	31st March, 2023
Authorised		
50,00,000 Equity Shares of Rs.10/- each	500.00	500.00
	500.00	500.00
Issued, Subscribed & Paid up	10.00	10.00
1,00,000 Equity Shares of Rs.10/- each	10.00	10.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 Contd...

(₹ in lakhs)

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Equity Shares	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	₹ in lakhs	No. of Shares	Rupees
At the beginning of the year	1,00,000	10.00	-	-
Issued during the year	-	-	1,00,000	10.00
Outstanding at the end of the year	1,00,000	10.00	1,00,000	10.00

b. Terms/rights attached to equity shares

The Company has one class of equity shares having a par value of Rs.10 each (previous year: having at 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.

c. Shares held by holding company

Out of equity shares issued by the company, shares held by its holding company are as follows.

Particulars	As at 31st March, 2024	As at 31st March, 2023
VLS Finance Ltd. (including 6 shares held through its 6 nominees)	1,00,000	1,00,000

d. Details of shareholders holding more than 5% shares in the company	No. of shares	% of holding	No. of shares	% of holding
VLS Finance Ltd. (including 6 shares held through its 6 nominees)	1,00,000	100.00	1,00,000	100.00
Outstanding at the end of the year	1,00,000	100.00	1,00,000	100.00

Disclosure of shareholding of promoters
Shareholding of promoters as at 31st March, 2024

Particulars	As at 31st March, 2024		As at 31st March, 2023		% Change during the year
	No. of shares held	% of holding	No. of shares held	% of holding	
VLS Finance Ltd. (including 6 shares held through its 6 nominees)	1,00,000	100.00	1,00,000	100.00	-
Total	1,00,000	100.00	1,00,000	100.00	-

Shareholding of promoters as at 31st March, 2023

Particulars	As at 31st March 2023		As at 31st March 2022		% Change during the year
	No. of shares held	% of holding	No. of shares held	% of holding	
VLS Finance Ltd. (including 600 shares held through its 6 nominees)	1,00,000	100.00	1,00,000	100.00	-
Total	1,00,000	100.00	1,00,000	100.00	-

Note 5 : Other Equity

(₹ in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Retained earnings		
Balance at the beginning of the period	(6.11)	(6.06)
Add: Profit/(loss) during the period	<u>(0.20)</u>	<u>(0.06)</u>
Balance as at end of the period	(6.31)	(6.11)
TOTAL	(6.31)	(6.11)

i) There is no changes in accounting policy and there is no prior period errors.

Nature and purpose of reserves :
i) Retained earnings:

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

PARTICULARS	(₹ in lakhs)	
	For the year ended 31st March, 2024	For the period ended 31st March, 2023
Note 6 : Other Expenses		
Filing Charges	0.18	0.05
Professional Charges	<u>0.02</u>	-
Total	0.20	0.05

Note 7: Deferred Tax Liability/ Deferred Tax Asset

There is no deferred tax asset/liability for the company during the year.

Note 8: Related Party Disclosures:

Pursuant to compliance of Indian Accounting Standard (Ind AS 24) on related party disclosure, the relevant information is provided here below:-

List of Related Parties & Relationships

- 1) Holding Company
Related party where control exist - VLS Finance Ltd.
- 2) Fellow Subsidiaries
 - a) VLS Securities Limited
 - b) VLS Asset Management Limited
- 3) Others
 - i) VLS Capital Ltd. : Associate of fellow subsidiary viz. VLS Securities Ltd.
 - ii) Key Managerial Personnel : Not Applicable
 - iii) Ms. Divya Mehrotra : Non-Executive Director (Cessation due to demise on 04/01/2024)
 - iv) Mr. S. K. Agarwal : Non-Executive Director
 - v) Mr. K. K. Soni : Non-Executive Director
 - vi) Mr. M. P. Mehrotra : Non-Executive Director (Cessation due to demise on 05/04/2024)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 Contd...
Related Parties

Transaction during the year with the related party:-

(₹ in lakhs)

Name of Related Party	Relationship	Nature of Transaction	For the year ended 31 st March 2024 #	For the year ended 31 st March 2023 #
VLS Finance Limited	Holding Company	Dues to Holding Company		
		Opening Balance	-	-
		Reimbursement of Expenses	-	0.05
		Closing Balance	-	-

Notes:

- The value of transaction represents the value of transaction with related party from the date the party became related party.
- If the amount is less than Rs 500 then the figure is shown as “-”
- The value of related party transactions are given, excluding applicable taxes if any.

Note 9: Earnings per Share (Ind AS 33)

(₹ in lakhs)

Basic and Diluted EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Basic and Diluted EPS amounts are calculated by dividing the profit/(Loss) for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(Loss) attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computation.

(₹ in lakhs)

Particulars	For the year ended 31/03/2024	For the period ended 31/03/2023
Profit attributable to equity holders of the Company: Continuing operations -A	(0.20)	(0.05)
Dilution effect	-	-
Profit attributable to equity holders adjusted for dilution effect -B	(0.20)	(0.05)
Weighted Average number of equity shares used for computing Earning Per Share - C	1.00	1.00
Earnings Per Share (Basic & Diluted) (in Rs.) D =A/C or B/C	(0.20)	(0.05)

Note 10: Other Financial Information

- a) 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 2024	31 March 2023
Principal amount remaining unpaid to any supplier as at the period end.	Nil	Nil
Interest due thereon	Nil	Nil
Amount of interest paid	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	Nil	Nil
b) Earnings in Foreign Currency	Nil	Nil
c) Expenditure in Foreign Currency	Nil	Nil

Note 11: Commitments and contingencies
a. Commitments:

Particulars	31 March 2024	31 March 2023
(a) Estimated amount of contracts remaining to be executed on Capital Account.	Nil	Nil
(b) Uncalled liability on shares and other investments partly paid	Nil	Nil



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 Contd...

b. Contingent liabilities

(a) Claims against the company not acknowledged as debt;	Nil	Nil
(b) Guarantees excluding financial guarantees; and	Nil	Nil

Note No. 12 : Ratio Analysis (₹ in lakhs)

S. No.	Ratio as per Schedule III requirements	As at 31st March 2024	As at 31st March 2023	% Change from previous period in Current Year	Explanation
1	Current Ratio = Current Assets/Current Liabilities) Current Assets Current Liabilities	N.A. 3.69 -	N.A. 3.89 -	N.A.	N.A.
2	Debt Equity Ratio = Total Debt/Shareholders Equity) Total Debt Total Equity	N.A. - 3.69	N.A. - 3.89	N.A.	N.A.
3	Debt Service Coverage ratio = a/b) Profit for the year Add: Non cash operating expense and finance cost Depreciation and amortization expense Finance cost a. Earnings available for debt servicing Interest cost on borrowings Principal repayments (including certain prepayments) b. Total Interest and principal repayments	N.A. (0.20) - - - (0.20) - -	N.A. (0.06) - - - (0.06) - -	N.A.	N.A.
4	Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity Profit for the year Total Equity	-5.43% (0.20) 3.69	-1.49% (0.06) 3.89	72.49	Ratio has declined due to increase in losses during the current year.
5	Inventory Turnover Ratio = Cost of materials consumed divided by closing inventory Cost of material consumed Closing Inventory	N.A. - -	N.A. - -	N.A.	N.A.
6	Trade Receivables turnover ratio = Credit Sales divided by Closing trade receivables Credit sales Closing Trade Receivables	N.A. - -	N.A. - -	N.A.	N.A.
7	Trade payables turnover ratio = Credit purchases divided by closing trade payables Credit Purchase Closing Trade Payables	N.A. - -	N.A. - -	N.A.	N.A.

S. No.	Ratio as per Schedule III requirements	As at 31st March 2024	As at 31st March 2023	% Change from previous period in Current Year	Explanation
8	Net capital Turnover Ratio =Revenue from Operations divided by Net Working capital whereas net working capital= current assets - current liabilities Revenue from Operations Net Working Capital	N.A. - 3.69	N.A. - 3.89	N.A.	N.A.
9	Net profit ratio = Net profit after tax divided by Revenue from operations Profit for the year Revenue from Operations	N.A. (0.21) -	N.A. (0.06) -	N.A.	N.A.
10	Return on Capital employed- pre cash (ROCE)=Earnings before interest and taxes(EBIT) divided by Capital Employed- pre cash Profit/(Loss) for the year Finance costs Other Income EBIT : Operating Profit/ (Loss) Capital employed - pre cash Total assets Current Liabilities Current Investments Cash and Cash equivalent Bank balances other than cash and cash equivalents Total	N.A. (0) - - (0.21) - - - 3.69 - - 3.69 - -	N.A. (0) - - (0.06) - - - 3.89 - - 3.89 - -	N.A.	N.A.

Explanation to be given where the change is more than 25%

Note No. 13 Additional Regulatory disclosures.

- Since, the Company does not have any trade receivables/ trade payable as on March 31, 2024 and March 31, 2023, the disclosure relating to trade receivables ageing schedule has been dispensed with.
- No loans or advances in the nature of loans are granted to promoters, directors, KMPs, and the related parties, either severally or jointly with any other person during the financial years ended March 31, 2024 and March 31, 2023.
- The Company did not have any transactions with the Companies struck-off under Section 248 of the Companies Act, 2013 during the financial years ended March 31, 2024 and March 31, 2023.
- The Company does not have any subsidiaries, hence provisions of section 2(87) of the Companies Act, 2013 are not applicable on the Company.
- There are no intangible assets under development as on 31st March 2024 as well as 31st March 2023.

- f) There were no significant events after the end of the reporting period which require any adjustment or disclosure in the financial statements.
- g) No business activity could be taken up during the financial years ended March 31, 2024 and March 31, 2023. The Company is still exploring the business avenues available to it. Hence there is no separate reportable segments identified as per the Ind AS 108 - Operating segments. Further the Company does not have any reportable geographical segment. Hence segment-wise reporting has not been made.
- h) During the financial years ended March 31, 2024 and March 31, 2023, the company does not have any its property, plant and Equipment.
- i) During the financial years ended March 31, 2024 and March 31, 2023, the company does not have any property where the Company is a lessee.
- j) The Company has not been sanctioned working capital limits from Banks/financial Institutions during the financial years ending March 31, 2024 and March 31, 2023. Therefore, during the financial years ending March 31, 2024 and March 31, 2023, the company is not required to file the Quarterly return/ statements of current assets with banks and financial institutions.
- k) During the financial years ended March 31, 2024 and March 31, 2023, no Scheme of Arrangements related to the company has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- l) Utilisation of Borrowed funds and share premium: -
- a) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to any other person or entity, including foreign entity (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- ii. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- i. Directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- m) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March 2024 and 31 March 2023.
- n) The Company has not been declared willful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the year ended 31 March 2024 and 31 March 2023.
- o) There is no creation or satisfaction of charges which are pending to be filed with ROC as at 31 March 2024 and 31 March 2023.
- p) The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2024 and March 31, 2023.
- q) The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). No previously unrecorded income and related assets have been recorded in the books of account during the year.
- r) The auditors have expressed an unmodified opinion on the standalone financial statements of the Company for the financial years ended March 31, 2024 and March 31, 2023.
- s) The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from 1st April 2014. The provisions of the said section is not applicable to the Company during the financial year 2022-23 & 2023-24.
- t) There are no items of income and expenditure of exceptional nature for the financial years ended March 31, 2024 and March 31, 2023.
- u) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure and rounding off errors have been ignored further Previous year figures have been shown in brackets.
- v) The amounts reflected as "0" or "-" in the financial information are values with less than rupees five hundred. All amounts have been rounded to the nearest lakhs up to two decimal places, unless otherwise stated.

As per our report of even date attached

For Agiwal & Associates For and on behalf of the Board

(F.R.N.000181N)
Chartered Accountants

P.C. Agiwal	Rajesh Jhalani	K. K. Soni
Partner	Director	Director
Membership No.080475	DIN: 00006395	DIN: 00106037
UDIN: 24080475BKFKZR7465		

Place: New Delhi
Date: 22/05/2024

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 Holding Company" or "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, 2024, 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, 2024, 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.

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, 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.

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.

CONSOLIDATED FINANCIAL STATEMENTS

- 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

1. We did not audit the financial statements/financial information of the subsidiary company (namely VLS Securities Limited) whose financial statements reflect total assets of Rs. 1,40,620.11 lakh and net assets of Rs. 1,08,620.50 Lakh as at March 31, 2024, total revenues of Rs. 712.94 lakh, total net profit after tax of Rs. 290.08 lakh and total comprehensive income/(Loss) of Rs. (3,495.84) lakh and net cash flows amounting to Rs. 182.82 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 after tax and total comprehensive income of Rs. 121.61 lakh and Rs. 130.57 lakh for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect 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

- A. 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 Group 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 March 31, 2024, 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 March 31, 2024, 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.
- B. 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 the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates; (Refer note 36 to the consolidated financial statements).
 - (ii) The Group has made provisions as at March 31, 2024, 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.
 - (iv) (a) The respective Managements of the Company and its subsidiaries and associates which are companies

incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The respective Managements of the Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) a) The dividend declared or paid by the Holding Company during the year declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
- b) The Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- (vi) Based on our examination which included test checks, and as communicated by the respective auditor of one subsidiary and one associates, except for the instances mentioned below, the Holding Company and its subsidiary company and associates incorporated in India have used accounting software's for maintaining its books of account, which have a feature of audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:
- i. Two Subsidiary companies have maintained manual books of accounts. Therefore, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable in the case of the company.
- Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective softwares, we did not come across any instance of the audit trail feature being tampered with.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year

ended March 31, 2024, and will be applicable from second year onwards.

- C. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditors' report, according to the information and explanations given to us, the CARO report of the Holding Company and two subsidiaries companies has been issued by us, did not include any unfavorable answers or qualifications or adverse remarks.

In respect of the CARO reports issued by the auditors of one subsidiary and other one associates included in the consolidated financial statements of the Company, no unfavourable answers or qualifications or adverse remarks were reported.

For Agiwal & Associates

Chartered Accountants
(FRN: 000181N)

CA P. C. Agiwal

Partner
M. No. 080475
Place: New Delhi
Date: May 28, 2024
UDIN: 24080475BKFKZT4016

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, 2024, 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

CONSOLIDATED FINANCIAL STATEMENTS

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 March 31, 2024, 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
(FRN: 000181N)

CA P. C. Agiwal

Partner
M. No. 080475
Place: New Delhi
Date: May 28, 2024
UDIN: 24080475BKFKZT4016

Consolidated Balance sheet as at 31st-March-2024

(Rupees in Lakhs)

Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	4	2,914.56	4,451.91
(b) Bank Balance other than (a) above	5	1,394.80	1,518.74
(c) Receivables	6		
(I) Trade Receivables		1,732.20	1,834.47
(II) Other Receivables		224.69	349.58
(d) Loans	7	813.97	814.42
(e) Investments	10	3,15,784.54	2,75,051.99
(f) Other Financial assets	8	17,041.33	11,274.02
Total (1)		3,39,906.09	2,95,295.13
2 Non-financial Assets			
(a) Current tax assets (Net)	9	1,308.51	1,390.82
(b) Investment Property	49	6,371.10	6,651.46
(c) Property, Plant and Equipment	11a	6,666.70	2,528.73
(d) Capital work-in-progress		-	-
(e) Other Intangible assets	11b	0.13	0.18
(f) Other non-financial assets	12	990.13	417.00
Total (2)		15,336.57	10,988.19
Total Assets (1+2)		3,55,242.66	3,06,283.32
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		18.42	10.14
(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		29.91	33.51
(b) Borrowings (Other than Debt Securities)	14	17.85	68.75
(c) Other financial liabilities	15	362.94	332.50
Total (1)		429.12	444.90
2 Non-financial Liabilities			
(a) Provisions	16	401.15	339.76
(b) Deferred tax liabilities (Net)	18	56,050.51	55,300.38
(c) Other non-financial liabilities	17	97.88	138.87
Total (2)		56,549.54	55,779.01
3 EQUITY			
(a) Equity Share capital	19	3,491.82	3,535.00
Non Controlling Interest		0.06	0.06
(b) Other Equity	20	2,94,772.26	2,46,524.49
Non Controlling Interest		(0.14)	(0.14)
Total (3)		2,98,264.00	2,50,059.41
Total Liabilities and Equity (1+2+3)		3,55,242.66	3,06,283.32
Accompanying Notes are an integral part of the Financial statements.		1-58	

As per our report of even date attached

For and on behalf of the Board

 For Agiwal & Associates
 Chartered Accountants
 (Firm's Registration Number: 000181N)

 CA P. C. Agiwal
 Partner
 Membership No.080475
 New Delhi
 Date: 28th May 2024
 UDIN: 24080475BKFKZT4016

 S.K.Agarwal
 Managing Director
 DIN: 00106763

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

 Keshav Tandan
 Executive Director
 DIN: 10450801

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

CONSOLIDATED FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST-MARCH-2024

(Rupees in Lakhs)

	Particulars	Note No	Year ended 31st March 2024	Year ended 31st March 2023
I	Revenue From Operations			
	(i) Interest Income	21	1,414.60	1,091.28
	(ii) Dividend Income	22	1,589.91	1,390.72
	(iii) Net gain/(loss) on fair value changes	23	37,370.49	5,430.16
	(iv) Other Operating Income	24	327.30	293.97
	Total Income from operations (Total I)		40,702.30	8,206.13
II	Other Income	25	1,117.40	234.17
	Total Other Income (Total II)		1,117.40	234.17
III	Total Income (I+II)		41,819.70	8,440.30
IV	EXPENSES			
	Employee benefits expense	26	754.77	666.00
	Finance costs	27	20.56	15.21
	Impairment on financial instruments	28	8.15	-
	Depreciation and amortization expense	29	570.49	426.20
	Other expenses	30	1,842.64	1,530.21
	Total expenses (IV)		3,196.61	2,637.62
V	Profit/(loss) before exceptional items and tax (III- IV)		38,623.09	5,802.68
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		38,623.09	5,802.68
VIII	Tax (expense)/credit (net):	42		
	(1) Current tax		(11,161.56)	(598.51)
	(2) Deferred tax		4,971.91	392.91
	Total Tax expenses (VIII)		(6,189.65)	(205.60)
IX	Profit / (Loss) for the period (VII+VIII)		32,433.44	5,597.08
X	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		12.05	(29.21)
	Gain / (Loss) arising on fair valuation of Investment		22,941.58	(60,494.76)
	(ii) Income tax (expense)/credit relating to items that will not be reclassified to profit or loss		(5,774.68)	15,233.31
	Total (A)		17,178.95	(45,290.66)
	B (i) Items that will be reclassified to profit or loss			
	Gain / (Loss) arising on fair value of bonds/debentures		(209.08)	
	(ii) Income tax relating to items that will be reclassified to profit or loss		52.62	
	Total (B)		(156.46)	-
	Total Other Comprehensive Income (A+B)		17,022.49	(45,290.66)
XI	Total Comprehensive Income for the period (IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		49,455.93	(39,693.58)
	Profit for the year attributable to:			
	Owners of parent		32,433.44	5,597.08
	Non-Controlling interest		(0.00)	(0.00)
	Other Comprehensive Income for the year attributable to:			
	Owners of parent		17,022.49	(45,290.66)
	Non-Controlling interest		-	-
	Total Comprehensive Income for the year attributable to:			
	Owners of parent		49,455.93	(39,693.58)
	Non-Controlling interest		(0.00)	(0.00)
XII	Earnings per equity share (Face value Rs.10/-per equity share)	31		
	(1) Basic (in Rupees)		93.07	14.49
	(2) Diluted (in Rupees)		93.07	14.49
	Accompanying Notes are an integral part of the Financial statements.	1-58		

As per our report of even date attached

For and on behalf of the Board

 For Agiwal & Associates
 Chartered Accountants
 (Firm's Registration Number: 000181N)

 CA P. C. Agiwal
 Partner
 Membership No.080475
 New Delhi
 Date: 28th May 2024
 UDIN: 24080475BKFKZT4016

 S.K.Agarwal
 Managing Director
 DIN: 00106763

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

 Keshav Tandan
 Executive Director
 DIN: 10450801

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

Consolidated Statement of Changes in Equity for the year ended 31st-March-2024
A.1 Equity Share Capital ^(*)

(Rupees in Lakhs)

Particulars	Equity share capital	
	Number of shares (**)	Amount (**)
As at 31 March 2022	3,86,62,017	3,878.42
Shares Extinguished on Buyback of Equity Shares [§]	(34,34,235)	(343.42)
As at 31 March 2023	3,52,27,782	3,535.00
Restated balance at the beginning of the reporting period	3,52,27,782	3,535.00
Shares Extinguished on Buyback of Equity Shares [§]	(4,31,790)	(43.18)
As at 31st-March-2024	3,47,95,992	3,491.82

** Equity share capital amount includes Rs.12.22 Lakhs being the amount forfeited on 4,67,500 equity shares.

A.2 Equity Share Capital - Non Controlling Interest ^(*)

(Rupees in Lakhs)

Particulars	Number of shares	Amount
As at 31 March 2022	600	0.06
Changes in equity share capital during the year	-	-
As at 31 March 2023	600	0.06
Changes in equity share capital during the year	-	-
As at 31 March 2024	600	0.06

(B) Other equity ^(*)

PARTICULARS	Owners of parent							Non Controlling Interest		
	Reserves and surplus				Other Comprehensive Income			Reserves and surplus	Other Comprehensive Income	Total
	General Reserve	Securities Premium Account(*)	Capital Redemption Reserve account (#, \$)	Retained Earning	FVTOCI reserve	Re-measurement of Defined Benefits	Total			
As at 31st-March-2022	3,573.29	9,627.48	113.30	94,182.46	1,85,155.74	1.49	2,92,653.76	(0.14)	0.00	(0.14)
Profit for the period	-	-	-	5,493.28	-	-	5,493.28	(0.00)	-	(0.00)
Consolidation adjustment for Associates	-	-	-	103.80	2.47	0.07	106.34	-	-	-
Other Comprehensive Income (net of tax)	-	-	-	-	(45,271.29)	(21.91)	(45,293.20)	-	-	-
Total Comprehensive Income for the period	-	-	-	5,597.08	(45,268.82)	(21.84)	(39,693.58)	(0.00)	-	(0.00)
Transfer from FVTOCI to Retained Earnings	-	-	-	998.71	(998.71)	-	-	-	-	-
Buyback of Equity Shares [§]	-	(5,855.76)	343.42	(343.42)	-	-	(5,855.76)	-	-	-
Cash Dividend ^(¶)	-	-	-	(579.93)	-	-	(579.93)	-	-	-
As at 31st-March-2023	3,573.29	3,771.72	456.72	99,854.90	1,38,888.21	(20.35)	2,46,524.49	(0.14)	0.00	(0.14)

(Rupees in Lakhs)

PARTICULARS	Owners of parent							Non Controlling Interest		
	Reserves and surplus				Other Comprehensive Income			Reserves and surplus	Other Comprehensive Income	Total
	General Reserve	Securities Premium Account(*)	Capital Redemption Reserve account (#, \$)	Retained Earning	FVTOCI reserve	Re-measurement of Defined Benefits	Total			
As at 31st-March-2023	3,573.29	3,771.72	456.72	99,854.90	1,38,888.21	(20.35)	2,46,524.49	(0.14)	0.00	(0.14)
Profit for the period	-	-	-	32,311.83	-	-	32,311.83	(0.00)	-	(0.00)
Consolidation adjustment for Associates	-	-	-	121.61	9.03	(0.07)	130.57	-	-	-
Other Comprehensive Income (net of tax)	-	-	-	-	17,004.42	9.11	17,013.53	-	-	-
Total Comprehensive Income for the period	-	-	-	32,433.44	17,013.45	9.04	49,455.93	(0.00)	-	(0.00)
Transfer from FVTOCI to Retained Earnings	-	-	-	16,579.42	(16,579.42)	-	-	-	-	-
Buyback of Equity Shares \$	-	(686.22)	43.18	(43.18)	-	-	(686.22)	-	-	-
Cash Dividend (%)	-	-	-	(521.94)	-	-	(521.94)	-	-	-
As at 31st-March-2024	3,573.29	3,085.50	499.90	1,48,302.64	1,39,322.24	(11.31)	2,94,772.26	(0.14)	0.00	(0.14)

Notes:

(*) Of the above amount of ₹ 9627.48 lakh, an amount of ₹ 474.34 lakh is relating to share premium received on forfeited shares.

(@) There is no changes in accounting policy and there is no prior period errors.

(#) Transfer from the Retained Earning to the Capital Redemption Reserve towards nominal value of 11,32,983 fully paid up Equity Shares of ₹ 10/-each bought back for the first time on 11/02/2014 for cash.

((§) The Board of Directors of the Company in its meeting held on 05-Jan-2023 has approved buy-back of its own shares by the Company from open market through Stock Exchange route in terms of proviso to clause (b) of sub section 2 of section 68 of the Companies Act, 2013 and other applicable regulations. The buyback so approved had opened from 16/01/2023 and closed on 29/05/2023. During this period 38,66,025 equity shares of Rs 10/- each have been bought back by the company at an average rate of ₹ 179.22 per share. A total sum of ₹ 6,928.59 lakhs (excluding transaction costs) was utilised for the said buyback. Post buyback the paid up share capital of the Company is ₹ 3491.82 Lakhs (including ₹ 12.22 Lakhs being the amount forfeited on 4,67,500 equity shares) comprising 3,47,95,992 equity shares of ₹ 10/- each. Requisite compliances under applicable regulations have been made in respect of aforesaid buyback including for extinguishment of said shares so bought back. Accordingly, EPS has been calculated on weighted average number of shares as on 31-March-2024 in accordance with IND-AS 33. Out of total consideration of ₹ 6,928.59 lakhs, ₹ 6,199.18, lakhs paid towards buy-back of equity shares till 31st Mar 2023 is adjusted against share capital to the extent of ₹ 343.42 lakhs and against the share premium to the extent of ₹ 5,855.76 lakhs and ₹ 729.40, lakhs paid towards buy-back of equity shares till 31st Mar 2024 is adjusted against share capital to the extent of ₹ 43.18 lakhs and against the share premium to the extent of ₹ 686.22 lakhs. Further consequent to the aforesaid buyback of 4,31,790 fully paid up Equity Shares of ₹ 10/- each during the year ended 31-Mar-2024 (34,34,235 fully paid up Equity Shares of ₹ 10/- each during the year ended 31-Mar-2023) for cash, the nominal amount of shares capital bought-back of ₹ 43.18 lakhs (Previous Year 343.42 lakhs) has been transferred to the Capital Redemption Reserve out of the Retained Earning.

(¶) Dividend amounting to ₹ 579.93 lakhs @ ₹ 1.50 per equity share proposed for the year ended March 31,2022 was paid on the outstanding number of shares during the year ended March 31, 2023.

(%) Dividend amounting to ₹ 521.94 lakhs @ ₹ 1.50 per equity share proposed for the year ended March 31,2023 was paid on the outstanding number of shares as on the book closure date i.e. 23/09/2023, during the year ended March 31, 2024.

Accompanying Notes are an integral part of the Financial statements.

As per our report of even date attached

As per our report of even date attached

For and on behalf of the Board

 For Agiwal & Associates
Chartered Accountants
(Firm's Registration Number: 000181N)

 S.K.Agarwal
Managing Director
DIN: 00106763

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

 CA P. C. Agiwal
Partner
Membership No.080475
New Delhi
Date: 28th May 2024
UDIN: 24080475BKFKZT4016

 Keshav Tandan
Executive Director
DIN: 10450801

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

**CONSOLIDATED FINANCIAL STATEMENTS****VLS FINANCE LTD.****Consolidated Cash Flow Statement for the year ended 31st-March-2024 (Audited)**

(Rupees in lakhs)

Particulars	Consolidated	
	For the Year ended 31st-March-2024 (Audited)	For the year ended 31st March 2023 (Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	38,623.09	5,802.68
Adjustment for:		
Depreciation	570.49	426.21
Interest Income	(650.67)	(45.66)
Loss/(Profit) on sale of Property, plant and equipment	(333.24)	3.54
Share of profit of Associates	(121.61)	(103.80)
Dividend Income	(1,589.91)	(1,390.72)
Actuarial gain / (loss) on Defined Employee Benefits	12.12	(29.28)
Provision for unspent expenditure on Corporate Social Responsibility	42.46	200.76
Provision for Employee Benefits	18.92	38.94
	(2,051.44)	(900.01)
Operating profit	36,571.65	4,902.67
Adjustment for working capital changes		
1) Increase / (decrease) in borrowings	(50.86)	(22.53)
2) Increase / (decrease) in other financial liabilities	30.44	(10.13)
3) Increase / (decrease) in trade payables	7.42	(529.65)
4) Increase / (decrease) in Other payables	(3.77)	(24.60)
5) (Increase) / decrease in loans	0.45	(7.13)
6) Increase / (decrease) in other non- financial liabilities	(40.99)	69.44
7) (Increase) / decrease in other financial assets	(5,767.31)	604.69
8) (Increase) / decrease in other non financial asset	(572.15)	157.84
9) (Increase) / decrease in trade receivables	102.27	(1,714.53)
10) (Increase) / decrease in other receivables	124.89	(0.65)
11) (Increase) / decrease in Bank Balance other than cash and cash equivalents	123.95	(1,518.75)
Cash generated / (used) from operations	30,525.99	1,906.68
Direct taxes (net)	(11,079.25)	(1,175.76)
Net cash generated / (used) from operating activities (A)	19,446.74	730.92
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / decrease on investments (net)	(17,878.52)	7,950.82
Sale/(Purchase) of Property, plant and equipment (net)	(4,103.89)	(233.87)
Sale/(Purchase) of Investment Property	9.08	(6,580.52)
Capital work in progress	-	6.98
Interest received on fixed deposits	650.67	45.66
Security Deposit Received	-	111.62
Dividend Income	1,589.91	1,390.72
Net cash generated / (used) from investing activities (B)	(19,732.75)	2,691.41
C. CASH FLOW FROM FINANCING ACTIVITIES		
Buyback of Equity Shares	(729.40)	(6,199.18)
Dividend paid (including Dividend distribution tax)	(521.94)	(579.93)
Net cash generated / (used) from financing activities (C)	(1,251.34)	(6,779.11)
Net increase / (decrease) in cash and cash equivalents during the year (A + B + C)	(1,537.35)	(3,356.79)
Cash and cash equivalents as at beginning of the year :	4,451.91	7,808.70
Cash and cash equivalents as at end of the year :	2,914.56	4,451.91
Cash in hand	0.57	5.85
Scheduled bank - In current account	21.81	113.07
Fixed Deposit with Banks	-	-
In Liquid Funds	2,892.18	4,332.99
Total	2,914.56	4,451.91
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	22.38	118.92
Add:- Fixed deposit with banks	-	-
Add:- In Liquid Funds	2,892.18	4,332.99
Total cash and bank balances equivalents as at end of the year	2,914.56	4,451.91

Accompanying Notes are an integral part of the Financial Statements.

As per our report of even date attached

For and on behalf of the Board

For Agiwal & Associates
Chartered Accountants
(Firm's Registration Number: 000181N)

CA P. C. Agiwal
Partner
Membership No.080475
New Delhi
Date: 28th May 2024
UDIN: 24080475BKFKZT4016

S.K.Agarwal
Managing Director
DIN: 00106763

Keshav Tandan
Executive Director
DIN: 10450801

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

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

CONSOLIDATED FINANCIAL STATEMENTS

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

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.

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, 2024	Proportion of Ownership Interest March 31, 2023	Country of Incorporation
(a) Subsidiaries			
VLS Securities Limited	100.00%	100.00%	India
VLS Asset Management Limited	99.15%	99.15%	India
VLS Real Estate Limited *	100.00%	100.00%	India
(b) Associates			
VLS Capital Limited	42.40%	42.40%	India

*Incorporated on 03-02-2021

The consolidated financial statement includes the audited financials for the year ended on 31.03.2024 of the subsidiaries VLS Securities Limited (100%), VLS Asset Management Limited (99.15%) and VLS Real Estate Limited (100%) which got incorporated on 03.02.2021. The financials of VLS Capital Ltd for the same period have been consolidated as an associate under equity method of accounting. The financials of Sunair Hotels Limited (Sunair) are not included in these consolidated financial statements as 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 both the years. Accordingly, not included in other disclosures including related party disclosures.

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 (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.

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.

CONSOLIDATED FINANCIAL STATEMENTS

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

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 37 and 41.

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

CONSOLIDATED FINANCIAL STATEMENTS
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

at FVTOCI. Fair value changes excluding dividends, on an equity instrument measured at FVTOCI are recognized in OCI for its fair value changes. Amounts recognised 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.

(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). 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.

CONSOLIDATED FINANCIAL STATEMENTS

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

(iii). 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: 30 to 60 years

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

The Group, based on technical assessment made by technical expert and management estimate, depreciates the certain items of building, plant and equipment over estimated useful life which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful life are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

(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

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.

The Group depreciates the building component of investment properties over 30 -60 years from the date of original construction/purchase.

Depreciation on investment property is calculated using the WDV method to write down the cost of property to their residual values over their estimated useful life in the manner prescribed in Schedule II of the Act.

The Group, based on technical assessment made by technical expert and management estimate, depreciates the building over estimated useful life which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful life are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

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.

CONSOLIDATED FINANCIAL STATEMENTS

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

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 shareholders 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 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

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.

2.15 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.

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 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.

(iii) Other Long-term Benefits:

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

CONSOLIDATED FINANCIAL STATEMENTS
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

- 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 life and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful life 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 Consolidated Financial Statements for the year ended 31.03.2024

		(Rupees in Lakhs)	
NOTE NO.	PARTICULARS	As at 31st -March- 2024	As at 31st -March- 2023
4	Cash and cash equivalents		
	a) Cash on hand	0.57	5.85
	b) Balances with Banks		
	-In Current Accounts	21.81	113.07
	-In Deposits Accounts	-	-
	(Original Maturity of Less than or equal to 3 months)		
	c) Interest accrued on Fixed Deposits	-	-
	d) Liquid Funds	2,892.18	4,332.99
	Total	2,914.56	4,451.91
5	Bank Balance other than cash and cash equivalents		
	a) Fixed deposits with bank (Refer note below)	254.63	324.54
	(Original Maturity of more than 3 months and less than or equal to 12 months) *#		
	b) Fixed deposits with bank (Maturity more than 12 months) *#	832.93	502.77
	c) Bank balances in Unpaid dividend accounts	208.65	184.44
	d) Bank balances in Buyback Account	-	1.68
	e) Bank balances in Unspent CSR Account	98.59	
	f) Fixed deposits with bank earmarked for Buyback of shares #	-	505.32
	Total	1,394.80	1,518.75
	<i>Note : * Pledged with banks as security for overdraft facility</i>		
	<i># Balance of fixed deposits also include interest accrued on fixed deposit</i>		
6	Receivables ⁽¹⁾		
	I) Trade Receivables		
	Unsecured, considered good		
	a) Receivable from share brokers	1,723.05	1,833.55
	b) Others	9.15	0.92
	Total	1,732.20	1,834.47
	II) Other Receivables		
	Secured, considered good		
	Interest accrued	224.28	374.23
	Allowance for Expected credit losses on Interest accrued	-	(25.00)
	Unsecured, considered good		
	a) Interest accrued	0.41	0.35
	Total	224.69	349.58

1) Pl. refer Note No 45: Ageing of Trade & Other Receivables

CONSOLIDATED FINANCIAL STATEMENTS

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

NOTE NO.	PARTICULARS	As at	
		31st- March- 2024	31st -March- 2023
7	Loans (Unsecured and considered good)		
	a) Loan to employees (including deferred cost) ⁽²⁾	13.97	14.42
	b) Others	800.00	800.00
	Total	813.97	814.42
	2) Pl. refer Note No 46		
8	Other Financial Assets (Unsecured, considered good)		
	a) Margin Money Deposits		
	-Share brokers	12,808.00	10,208.00
	-Others	200.00	50.00
	b) Security deposits	175.25	166.85
	c) Dividend Receivable	15.40	-
	d) Application money for investments	1,721.97	1.25
	e) Others	2,073.72	807.30
	f) Interest accrued	46.99	40.62
	Total	17,041.33	11,274.02
9	Current Tax Assets (Net)		
	Advance Tax and Tax Deducted at source	12,668.76	5,146.54
	Less: Tax Provisions	(11,360.26)	(3,755.72)
	Total	1,308.51	1,390.82

Note No 10: Investments

S No	Investments	As at 31st Mar 2024					As at 31st Mar 2023				
		Amortised cost	At Fair Value		At Equity Method	Total	Amortised cost	At Fair Value		At Equity Method	Total
			Through Other Comprehensive Income	Through profit or loss				Through Other Comprehensive Income	Through profit or loss		
		1	2	3	4	(5)=(1)+(2)+(3)+(4)	6	7	8	9	(10)=(6)+(7)+(8)+(9)
1	Mutual funds/PMS	-	7,299.24	2,437.44		9,736.68	-	4,939.31	-	-	4,939.31
2	Debt securities*	350.58	5,764.33	1,065.04		7,179.95	350.59	7,503.28	-	-	7,853.87
3	Equity instruments	-	2,64,024.37	31,284.74		2,95,309.11	-	2,58,830.59	-	-	2,58,830.59
4	Associates (Refer Note 10.1)	-			3,908.80	3,908.80	-	-	-	3,778.22	3,778.22
5	Total - Gross (A)	350.58	2,77,087.94	34,787.22	3,908.80	3,16,134.54	350.59	2,71,273.18	-	3,778.22	2,75,401.99
6	(i) Investments in India	350.58	2,77,087.94	34,787.22	3,908.80	3,16,134.54	350.59	2,71,273.18	-	3,778.22	2,75,401.99
7	(ii) Investments outside India	-	-	-	-	-	-	-	-	-	-
8	Total (B)	350.58	2,77,087.94	34,787.22	3,908.80	3,16,134.54	350.59	2,71,273.18	-	3,778.22	2,75,401.99
9	Less: Aggregate amount of provision for impairment in the value of investments (Expected credit losses on Investment) (C)	(350.00)	-	-	-	(350.00)	(350.00)	-	-	-	(350.00)
10	Total - Net D= (A)-(C)	0.58	2,77,087.94	34,787.22	3,908.80	3,15,784.54	0.59	2,71,273.18	-	3,778.22	2,75,051.99

* Excludes interest accrued on tax-free bonds, if any

Note No 10.1: Investments in equity instruments of Associate

S No	Particulars	As at 31st Mar 2024				As at 31st Mar 2023			
		Proportion of ownership Interest/ Voting Rights	Face Value	Holding	Value	Proportion of ownership Interest/ Voting Rights	Face Value	Holding	Value
		%	(in Rs)	No. of shares	(Rs in Lakhs)	%	(in Rs)	No. of shares	(Rs in Lakhs)
	1	2	3	4	5	6	7	8	9
1	Investments in Equity shares of Associate: (Unquoted & Fully paid up) (Measured on equity method of accounting) VLS Capital Ltd.	42.40%	10	98,20,833	3,908.80	42.40%	10	98,20,833	3,778.22
	Total				3,908.80				3,778.22

Principal Place of Associate are in India

CONSOLIDATED FINANCIAL STATEMENTS

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Note No: 11a. Property, Plant and Equipment

Description	Building	Land	Temporary Structure	Vehicles	Office Equipments	Furniture & fixtures	Air Conditioners	Computers	Electrical Installations	Generator	Assets on Lease	Leasehold Improvement	Right of use Assets (Ind As 116)	Total
Gross Carrying Amount														
Balance as at 31.03.2022	1,046.64	931.65	6.89	157.10	93.39	238.78	84.88	144.86	193.87	18.43	12,066.67	243.74	61.53	15,288.46
Additions during the year	107.71	-	-	27.77	69.68	10.10	0.45	3.30	13.41	-	-	-	3.23	235.65
Sales/ Adjustments during the year	-	-	(6.89)	(32.30)	(13.59)	(9.05)	(15.16)	(25.59)	(2.45)	(4.31)	-	-	-	(109.34)
Balance as at 31.03.2023	1,154.35	931.65	0.00	152.57	149.48	239.83	70.17	122.57	204.83	14.12	12,066.67	243.74	64.76	15,414.74

Balance as at 31.03.2023	1,154.35	931.65	-	152.57	149.48	239.83	70.17	122.57	204.83	14.12	12,066.67	243.74	64.76	15,414.74
Additions during the year	436.96	3,887.07	-	49.50	2.23	-	0.98	3.84	-	104.45	-	-	-	4,485.03
Sales/ Adjustments during the year	(167.95)	-	-	-	-	-	-	(0.47)	-	(14.12)	-	-	-	(182.54)
Balance as at 31.03.2024	1,423.36	4,818.72	-	202.07	151.71	239.83	71.15	125.94	204.83	104.45	12,066.67	243.74	64.76	19,717.23

Accumulated Depreciation/Amortization

Balance as at 31.03.2022	151.75	-	6.89	109.75	35.66	29.75	22.01	85.40	23.42	5.84	12,065.67	24.88	3.31	12,564.34
Depreciation for the year	48.26	-	-	17.34	51.07	55.84	16.21	27.46	47.74	3.20	-	138.23	20.75	426.10
Sales/ Adjustments during the year	-	-	(6.89)	(31.07)	(12.92)	(8.56)	(14.19)	(24.36)	(2.33)	(4.09)	-	-	-	(104.41)
Balance as at 31.03.2023	200.01	-	0.00	96.02	73.81	77.03	24.02	88.50	68.83	4.95	12,065.67	163.11	24.06	12,886.01

Balance as at 31.03.2023	200.01	-	-	96.02	73.81	77.03	24.02	88.50	68.83	4.95	12,065.67	163.11	24.06	12,886.01
Depreciation for the year	55.73	-	-	21.72	34.86	42.23	12.16	16.37	35.30	7.57	-	51.06	22.17	299.17
Sales/ Adjustments during the year	(127.74)	-	-	-	-	-	-	(0.41)	-	(6.50)	-	-	-	(134.64)
Balance as at 31.03.2024	128.00	-	-	117.74	108.67	119.26	36.18	104.46	104.13	6.02	12,065.67	214.17	46.23	13,050.53

Net Carrying Amount

As at 31.03.2023	954.34	931.65	-	56.55	75.67	162.80	46.15	34.07	136.00	9.17	1.00	80.63	40.70	2,528.73
As at 31.03.2024	1,295.36	4,818.72	-	84.33	43.04	120.57	34.97	21.48	100.70	98.43	1.00	29.57	18.53	6,666.70

Note No: 11b. Other Intangible assets

Description	Computer Software	Total
Gross Carrying Amount		
Balance as at 31.03.2022	11.60	11.60
Additions during the year	-	-
Sales/Adjustments during the year	(8.52)	(8.52)
Balance as at 31.03.2023	3.08	3.08
Balance as at 31.03.2023	3.08	3.08
Additions during the year	-	-
Sales/Adjustments during the year	-	-
Balance as at 31.03.2024	3.08	3.08

CONSOLIDATED FINANCIAL STATEMENTS

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Description	Computer Software	Total
Accumulated Depreciation/Amortization		
Balance as at 31.03.2022	10.92	10.92
Depreciation for the year	0.10	0.10
Sales/Adjustments during the year	(8.13)	(8.13)
Balance as at 31.03.2023	2.90	2.90
Balance as at 31.03.2023		
Balance as at 31.03.2023	2.90	2.90
Depreciation for the year	0.05	0.05
Sales/Adjustments during the year	-	-
Balance as at 31.03.2024	2.95	2.95
Net Carrying Amount		
As at 31.03.2023	0.18	0.18
As at 31.03.2024	0.13	0.13

NOTE NO.	PARTICULARS	As at 31st Mar 2024	As at 31st Mar 2023
12	Other non-financial assets		
	Unsecured and considered good		
	Capital Advances	920.00	4.18
	Prepaid Expenses	12.26	22.83
	Advances recoverable in cash or kind	8.20	386.10
	Allowance for Expected credit losses	-	(25.00)
	Secured and considered good		
	Taxes due from Government	49.67	28.89
	Total	990.13	417.00
12.1	Reconciliation for provision of expected credit losses is as follows:		
	Balance at the beginning	400.00	400.00
	Allowances made during the year	-	-
	Provision for expected credit losses adjusted with Bad Debt Written off	(50.00)	-
	Balance at the end	350.00	400.00
13	Payables ⁽³⁾		
	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	11.15	-
	- other payables	7.27	10.14
	Total	18.42	10.14
	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	29.91	33.51
	Total	29.91	33.51
	<i>3) Pl. refer Note No 44: Ageing of Trade & Other Payables</i>		
14	Borrowings (Other than debt securities)		
	(A) Borrowings in India		
	Secured Loans from Banks		
	Overdraft against Deposit with Banks	17.85	68.75
	<i>(Secured against Pledge of Fixed Deposit)</i>		
	Total	17.85	68.75
15	Other financial liabilities		
	a) Unpaid dividends accounts	208.65	184.44
	b) Creditors for capital goods	17.81	18.32
	c) Security deposit (against premises given on lease)	115.46	86.79
	d) Lease liabilities ⁽⁴⁾	21.02	42.95
	Total	362.94	332.50
	<i>4) Pl. refer Note No 50: Disclosure Under Ind As 116 Lease</i>		

CONSOLIDATED FINANCIAL STATEMENTS
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(Rupees in Lakhs)

NOTE NO.	PARTICULARS	As at 31st Mar 2024	As at 31st Mar 2023
16	Provisions		
	Provisions for employee benefits ⁽⁶⁾	157.92	139.00
	Provision for unspent expenditure on Corporate Social Responsibility ⁽⁵⁾	243.23	200.76
	Total	401.15	339.76
	<i>5) Pl. refer Note No: 32 on Corporate Social Responsibility</i>		
	<i>6) Pl. refer Note No 39 on Employees Benefits</i>		
17	Other non-financial liabilities		
	Statutory dues payable	73.71	113.12
	Advance interest received on T Bills	3.87	0.92
	Advance interest received on Security deposit (against premises given on lease)	20.30	24.83
	Total	97.88	138.87

Note No 18 : Deferred tax assets / liabilities

Particulars	As at 31st-March-2024	As at 31st-March-2023
Deferred tax liability on account of :		
Timing difference on Property, plant and equipment as per books and Income Tax Act, 1961	(53.86)	(20.20)
Deferred tax on IND AS adjustments	71,708.78	65,351.78
Total deferred tax liabilities (A)	71,654.92	65,331.58
Deferred tax assets on account of:		
On Employee Benefits (loans)	0.05	0.15
On Provision for impairment (Expected Credit Loss)	88.09	100.67
Deferred Tax on Ind AS Adjustments	15,476.18	9,900.09
Provision for leave encashment/Gratuity (Employee benefits)	40.09	30.29
Total deferred tax assets (B)	15,604.41	10,031.20
Net deferred tax assets / (liability) (B-A)	(56,050.51)	(55,300.38)

Note No 18.1: Movement of Deferred Tax

Particulars	As at 31st- March- 2024	Recognised through profit and loss	Recognised through Other comprehensive income	As at 31st- March- 2023	Recognised through profit and loss	Recognised through Other comprehensive income	As at 31st- March- 2022
Deferred tax liabilities on account of:							
Timing difference on Property, plant and equipment as per books and Income Tax Act, 1961	(53.86)	(33.66)	-	(20.20)	(56.49)	-	36.29
Deferred tax on IND AS adjustments	71,708.78	637.96	5,719.04	65,351.78	-	(15,225.94)	80,577.72
Total deferred tax liabilities (A)	71,654.92	604.30	5,719.04	65,331.58	(56.49)	(15,225.94)	80,614.01
Deferred tax assets on account of:							
On Employee Benefits (loans)	0.05	(0.10)	-	0.15	0.10	-	0.05
On Provision for impairment (Expected Credit Loss)	88.09	(12.58)	-	100.67	-	-	100.67
Deferred Tax on Ind AS Adjustments	15,476.18	5,576.09	-	9,900.09	335.89	-	9,564.20
Provision for leave encashment/Gratuity (Employee benefits)	40.09	12.81	(3.01)	30.29	0.43	7.37	22.49
Total deferred tax assets (B)	15,604.41	5,576.22	(3.01)	10,031.20	336.42	7.37	9,687.41
Total deferred tax Assets/(liability) (net) (B - A)	(56,050.51)	4,971.91	(5,722.06)	(55,300.38)	392.91	15,233.31	(70,926.60)

(Rupees in Lakhs)

Note 19 : Equity share capital

Particulars	As at 31st-March-2024		As at 31st-March-2023	
	Number	Amount in Lakh	Number	Amount in Lakh
Authorised Share Capital:				
Equity Shares of Rs.10/- each	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
Issued share capital:				
Equity Shares of Rs.10/- each	3,52,63,492	3,526.35	3,56,95,282	3,569.53
Total	3,52,63,492	3,526.35	3,56,95,282	3,569.53
Subscribed & Paid-Up Capital:				
Equity Shares of Rs.10/- each fully paid up for cash	3,47,95,992	3,479.60	3,52,27,782	3,522.78
Forfeited shares:				
Amount paid up on forfeited equity shares	4,67,500	12.22	4,67,500	12.22
Total	3,52,63,492	3,491.82	3,56,95,282	3,535.00

19.1 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.

CONSOLIDATED FINANCIAL STATEMENTS

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

19.2 Reconciliation of number of shares outstanding

Particulars	Year ended 31st-March-2024		Year ended 31st Mar 2023	
	Number	Amount in Lakh	Number	Amount in Lakh
Issued Equity Share capital:				
At beginning of the year	3,56,95,282	3,569.53	3,91,29,517	3,912.95
Shares Extinguished on Buyback of Equity Shares [§]	(4,31,790)	(43.18)	(34,34,235)	(343.42)
At the end of the year	3,52,63,492	3,526.35	3,56,95,282	3,569.53
Subscribed & Paid-Up Equity Share Capital:				
At beginning of the year	3,52,27,782	3,522.78	3,86,62,017	3,866.20
Shares Extinguished on Buyback of Equity Shares [§]	(4,31,790)	(43.18)	(34,34,235)	(343.42)
At the end of the year	3,47,95,992	3,479.60	3,52,27,782	3,522.78

§ Pl. refer foot note § of Note No: 20 Other Equity

19.3 Shares held by holding Company

Name of shareholder	No. of shares held	% of holding	No. of shares held	% of holding
NA- Public limited and Listed Entity				

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

Name of shareholder	As at 31st Mar 2024		As at 31st Mar 2023	
	No. of shares held	% of holding	No. of shares held	% of holding
VLS Capital Limited	1,33,36,538	38.33	1,33,36,538	37.86
Maresh Prasad Mehrotra (HUF)	19,84,262	5.70	19,84,262	5.63

Pl. refer Note No 43: Shareholding of Promoters and Promoter Group

19.5 Disclosure as to aggregate number and class of shares allotted pursuant to contract(s) without payment being received in cash, shares issued as fully paid up by way of bonus shares and shares bought back.

Particulars	Fully paid up pursuant to contract(s) without payment being received in cash	Fully paid up by way of bonus shares	Shares bought back
	Number	Number	Number
Equity Shares :			
1) 2023-2024		Nil	431,790
2) 2022-2023		Nil	3,434,235
3) 2021-2022		Nil	Nil
4) 2020-2021		Nil	Nil
5) 2019-2020		Nil	Nil

Note No: 20 Other Equity [®]

Particulars	As at 31st March 2024	As at 31st March 2023
a) General reserve		
Balance at the beginning of the year	3,573.29	3,573.29
Add: during the year	-	-
Balance as at end of the year	3,573.29	3,573.29
b) Securities premium [*]		
Balance at the beginning of the year	3,771.72	9,627.48
Add: during the year	-	-
Buyback of Equity Shares [§]	(686.22)	(5,855.76)
Balance as at end of the year	3,085.50	3,771.72
c) Capital Redemption Reserve ^(®, §)		
Balance at the beginning of the year	456.72	113.30
Buyback of Equity Shares [§]	43.18	343.42
Balance as at end of the year	499.90	456.72
d) Retained earnings		
Balance at the beginning of the year	99,854.90	94,182.46
Consolidation adjustment for Associates	121.61	103.80
Profit/(loss) for the the year	32,311.83	5,493.29
Transfer from FVTOCI to Retained Earnings	16,579.42	998.71
Cash Dividend ^(®, %)	(521.94)	(579.93)
Buyback of Equity Shares [§]	(43.18)	(343.42)
Balance as at end of the year	1,48,302.64	99,854.90

Note No: 20 Other Equity [®]

Particulars	As at 31st March 2024	As at 31st March 2023
e) Fair value gain on equity and other instruments carried through other comprehensive income		
Balance at the beginning of the year	138,888.21	185,155.74
Consolidation adjustment for Associates	9.03	2.47
Other Comprehensive Income (net of tax)	17,004.42	(45,271.29)
Transfer from FVTOCI to Retained Earnings	(16,579.42)	(998.71)
Balance as at end of the year	1,39,322.24	1,38,888.21
f) Remeasurement of Defined Benefit Plans		
Balance at the beginning of the year	(20.35)	1.49
Consolidation adjustment for Associates	(0.07)	0.07
Other Comprehensive Income (net of tax)	9.11	(21.91)
Balance as at end of the year	(11.31)	(20.35)
Total (a to f)	2,94,772.26	2,46,524.49
Particulars	As at 31st-March-2024	As at 31st-March-2023
Non-Controlling Interest		
Retained earnings		
Balance at the beginning of the year	(0.14)	(0.14)
Profit/(loss) for the the year	(0.00)	(0.00)
Other Comprehensive Income during the year (net of tax)	-	-
Total	(0.14)	(0.14)

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(*) Of the above amount of ₹ 9627.48 lakh, an amount of ₹ 474.34 lakh is relating to share premium received on forfeited shares.

(@) There is no changes in accounting policy and there is no prior period errors.

(#) Transfer from the Retained Earning to the Capital Redemption Reserve towards nominal value of 11,32,983 fully paid up Equity Shares of ₹ 10/-each bought back for the first time on 11/02/2014 for cash.

(\$) The Board of Directors of the Company in its meeting held on 05-Jan-2023 has approved buy-back of its own shares by the Company from open market through Stock Exchange route in terms of proviso to clause (b) of sub section 2 of section 68 of the Companies Act, 2013 and other applicable regulations. The buyback so approved had opened from 16/01/2023 and closed on 29/05/2023. During this period 38,66,025 equity shares of Rs 10/- each have been bought back by the company at an average rate of ₹ 179.22 per share. A total sum of ₹ 6,928.59 lakhs (excluding transaction costs) was utilised for the said buyback. Post buyback the paid up share capital of the Company is ₹ 3491.82 Lakhs (including ₹ 12.22 Lakhs being the amount forfeited on 4,67,500 equity shares) comprising 3,47,95,992 equity shares of ₹ 10/- each. Requisite compliances under applicable regulations have been made in respect of aforesaid buyback including for extinguishment of said shares so bought back. Accordingly, EPS has been calculated on weighted average number of shares as on 31-March-2024 in accordance with IND-AS 33. Out of total consideration of ₹ 6,928.59 lakhs, ₹ 6,199.18, lakhs paid towards buy-back of equity shares till 31st Mar 2023 is adjusted against share capital to the extent of ₹ 343.42 lakhs and against the share premium to the extent of ₹ 5,855.76 lakhs and ₹ 729.40, lakhs paid towards buy-back of equity shares till 31st Mar 2024 is adjusted against share capital to the extent of ₹ 43.18 lakhs and against the share premium to the extent of ₹ 686.22 lakhs. Further consequent to the aforesaid buyback of 4,31,790 fully paid up Equity Shares of ₹ 10/- each during the year ended of 31-Mar-2024 (34,34,235 fully paid up Equity Shares of ₹ 10/- each during the year ended 31-Mar-2023) for cash, the nominal amount of shares capital bought-back of ₹ 43.18 lakhs (Previous Year 343.42 lakhs) has been transferred to the Capital Redemption Reserve out of the Retained Earning.

(*) Dividend amounting to ₹ 579.93 lakhs @ ₹ 1.50 per equity share proposed for the year ended March 31,2022 was paid on the outstanding number of shares during the year ended March 31, 2023.

(%) Dividend amounting to ₹ 521.94 lakhs @ ₹ 1.50 per equity share proposed for the year ended March 31,2023 was paid on the outstanding number of shares as on the book closure date i.e. 23/09/2023, during the year ended March 31, 2024.

Nature and purpose of reserves :
(A) Securities premium:

Securities premium is used to record the premium received on issue of shares. The Securities premium can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(B) Retained earnings:

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

(C) General reserve:

General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013.

(D) Capital redemption reserve:

The Companies Act, 2013 requires that when a Company purchases its own shares out of free reserves or securities premium account or both, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve. The reserve is utilised in accordance with the provisions of Section 69 of the Companies Act, 2013.

(E) Other comprehensive income (OCI):

The Company has elected to recognise changes in the fair value of certain investments in equity securities and other instruments in other comprehensive income. These changes are accumulated within the FVTOCI reserve under the head "other equity". The Company transfers amounts from this reserve to retained earnings when those investments have been disposed off. Further this also represents the gain/(loss) on remeasurement of defined benefit obligations and of plan assets.

(Rupees in Lakhs)			
NOTE NO.	PARTICULARS	For the Year ended	
		31st-March-2024	31st-March-2023
21	Interest Income		
	Interest income from Investments:-		
	-From Tax Free Bonds	426.97	475.48
	-From PMS/MF investments	63.98	63.45
	-From Others	82.69	32.91
	On Margin Deposits with Share Brokers/stock exchange	576.02	410.26
	On deposits with Banks	75.86	45.66
	Other interest income	189.08	63.53
	Total	1,414.60	1,091.29

(Rupees in Lakhs)			
NOTE NO.	PARTICULARS	For the Year ended	
		31st-March-2024	31st-March-2023
22	Dividend Income		
	Dividend on Investments	1,589.91	1,390.72
	Total	1,589.91	1,390.72
23	Net gain on fair value changes		
	(i) Net gain/ (loss) on financial instruments at fair value through Profit and loss account		
	(a) - Investment		
	- On Investment	6,452.38	5,526.92
	(b) - Trading		
	- On Securities	15.10	6.36
	- On Future & Option	30,566.21	(360.20)
	- On Liquid Mutual Funds	200.81	257.08
	(ii) Others		
	(a) Gain/(Loss) on sale of debt FVTOCI Instruments	135.99	-
	Total	37,370.49	5,430.16
	Fair Value changes:		
	-Realised	34,835.67	5,430.16
	Unrealised	2,534.82	-
	Total	37,370.49	5,430.16
24	Other Operating Income		
	Income from Securities Lending	17.65	64.50
	Brokerage Income	309.65	229.47
	Total	327.30	293.97
25	Other Income		
	Rental income from other assets *	51.70	13.67
	Rental income from Investment properties *	523.94	4.23
	Interest on staff loans and advances	0.33	0.22
	Interest on income tax refund	83.77	111.09
	Interest Income Others	0.61	-
	On Financial Assets measured at Amortised Cost	1.03	1.16
	Share of Profit/(Loss) of Associates	121.61	103.80
	Profit on sale/transfer of assets (net)	334.36	-
	Others	0.05	-
	Total	1,117.40	234.17
	<i>* Pl. refer Note No 50: Disclosure Under Ind As 116 Lease and Note No 49: Investment Property</i>		
26	Employee benefits expense		
	Salaries	661.67	574.54
	Staff Amenities/welfare expenses	18.65	29.12
	Employer's Contribution to PF, ESI, Gratuity Fund etc.	74.45	62.34
	Total	754.77	666.00
27	Finance Costs		
	Bank / Finance Charges	1.04	0.73
	Interest Payment on Loans/overdraft facilities	5.64	9.09
	Interest on lease liabilities	3.48	5.32
	Other interest expenses	10.40	0.07
	Total	20.56	15.21
28	Impairment on financial instruments		
	Bad Debts	58.15	-
	Provision for expected credit losses	(50.00)	-
	Total	8.15	-
29	Depreciation and amortization expenses		
	Depreciation on Property, plant & equipment	276.98	405.34
	Amortisation of Right of use Assets (Refer note 11a)	22.17	20.75
	Amortisation on other intangible assets	0.05	0.10
	Depreciation on investment property	271.28	-
	Total	570.48	426.20

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Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

NOTE NO.	PARTICULARS	(Rupees in Lakhs)		NOTE NO.	PARTICULARS	(Rupees in Lakhs)	
		For the Year ended 31st-March- 2024	31st-March- 2023			For the Year ended 31st-March- 2024	31st-March- 2023
30	Other expenses			31	Earnings per equity share		
	Advertisement & Business Promotion	31.30	35.10		Net profit/(Loss) attributable to equity shareholders	32,433.44	5,597.08
	Consultancy, Legal & Service Charges	364.20	308.17		Total (A) (Rupees in Lakhs)	32,433.44	5,597.08
	Communication Expenses	9.36	7.83		Weighted average number of equity shares issued (face value of Rs 10 each) (Numbers in Lakhs)	348.48	386.34
	Electricity & Water Charges	37.94	29.01		Total (B) (Numbers in Lakhs)	348.48	386.34
	Insurance	2.33	2.71		Basic earnings per share [A/B] (In Rupees)	93.07	14.49
	Office Expenses	49.19	30.05		Net Profit attributable to equity shareholders [C] (Rupees in Lakhs)	32,433.44	5,597.08
	Shares Transaction Charges	132.94	95.31		Less : Impact on net profit due to exercise of diluted potential equity shares (Rupees in Lakhs) [D]	-	-
	Securities Transaction Tax on Investment	293.88	179.27		Net profit attributable to equity shareholders for calculation of diluted EPS [C-D] (Rupees in Lakhs)	32,433.44	5,597.08
	Securities Transaction Tax on others	272.49	145.90		Weighted average of equity shares issued (face value of R 10 each) (Numbers in Lakhs) [E]	348.48	386.34
	Travelling Expenses & Conveyance	33.67	36.63		Weighted number of additional equity shares outstanding for diluted EPS (Numbers in Lakhs) [F]	-	-
	Rates & Taxes	59.77	106.49		Weighted number of equity shares outstanding for diluted EPS (Numbers in lakhs) [E+F]	348.48	386.34
	Short-term leases	11.34	25.07		Diluted earnings per share [C-D/E+F] (In Rupees)	93.07	14.49
	Repairs & Maintenance						
	--Building	-	-				
	--Others	76.55	61.49				
	Donation & Charity	48.43	3.25				
	Miscellaneous Expenses	47.98	39.01				
	Share Buyback expenses	4.00	63.34				
	CSR Expenditure (#)	333.49	312.23				
	Auditors' Remuneration						
	a) Audit Fees	2.75	2.40				
	b) For Other Services						
	--For Tax audit	1.05	1.05				
	-- For certification	2.49	3.30				
	--Out of pocket expenses	0.55	0.55				
	--Reimbursement of expenses	0.17	0.11				
	Internal Auditors' Remuneration						
	-- Fees	1.00	1.00				
	--For certification	0.20	0.10				
	Directors' Sitting Fees	24.45	37.30				
	Loss on sale/transfer of assets	1.12	3.54				
	Total	1,842.64	1,530.21				
	# Pl. refer Note No: 32 on Corporate Social Responsibility						

Note No: 32 Corporate Social Responsibility

1) The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from 1st April 2014. As per the provisions of the said section, the Group has undertaken the following CSR initiatives during the financial year 2023-24 and 2022-23. CSR initiatives majorly includes promoting education and supporting under privileged in medical treatments and various other charitable and noble aids.

- a) Amount required to be spent by the Group during the year 2023-24 Rs. 333.49 Lakhs (Previous year Rs. 312.23 Lakhs) computed in accordance with applicable regulations.
b) Amount spent during the year ended 31 March 2024 and 31st March 2023 as follows:

Particulars	(Rupees in Lakhs)	
	As at 31st March 2024	31st March 2023
(i) Amount required to be spent by the Group during the year	333.49	312.23
(ii) Excess amount spent in previous year(s) (set off)		(0.13)
(iii) Amount available for spending under CSR for the year, after set off	333.49	312.10
(iv) Amount of expenditure incurred	333.49	312.10
a) Construction/acquisition of any asset	10.00	-
b) on purposes other than (i) above	178.85	111.34
(v) Details related to spent / unspent obligations:		
a) Directly by the Group	-	-
b) Contribution to eligible entity	188.85	111.34
c) Unspent amount in relation to:		
- Ongoing project	144.64	200.63
- Other than ongoing project	-	0.13
(vi) Shortfall/(Excess #) at the end of the year	144.64	200.76
(vii) Total of previous years shortfall	-	-
(viii) Reason for shortfall	Allocated to ongoing projects	
(ix) Nature of CSR activities	CSR initiatives majorly includes promoting education and supporting under privileged in medical treatments and various other charitable and noble aids.	
(x) Details of related party transactions as per relevant Accounting Standard	**	
(xi) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision.	As given below	

2) **Movements in the provision with respect to a liability incurred by entering into a contractual obligation during the year.** (Rupees in Lakhs)

Particulars	For the year ended	
	31st March 2024	31st March 2023
Opening provision balance	200.76	-
Provision created during the year (for ongoing projects, in case of S. 135(6))	144.64	200.63
Provision created during the year (for other than ongoing project, In case of S. 135(5))	-	0.13
Amount spent during the year	(102.17)	-
Closing Provision balance	243.23	200.76

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(Rupees in Lakhs)

3) Details of other than ongoing project, In case of S. 135(5)

Particulars	For the year ended	
	31st March 2024	31st March 2023
Opening Balance	0.13	-
"Amount required to be spent during the year (after set off of Excess amount spent in previous year)"	188.85	111.47
Amount deposited in Specified Fund of Sch. VII within 6 months	(0.13)	-
Amount spent during the year	(188.85)	(111.34)
Closing Balance ⁵	-	0.13

4) Details of ongoing projects, in case of S. 135(6)

(Rupees in Lakhs)

Particulars	For the year ended	
	31st March 2024	31st March 2023
Opening Balance	200.63	-
	With Group	-
	In Separate CSR Unspent A/c	-
Transfer to Separate CSR unspent A/c	200.63	-
Amount required to be spent during the year	144.64	200.63
Amount spent during the year	-	-
	From Group's Bank A/c	-
	From Separate CSR Unspent A/c	102.04
Closing balance *	144.64	200.63
	With Group	-
	In Separate CSR Unspent A/c	98.59

Notes

* The corpus of Rs 144.64 lakhs (Previous Year Rs 200.63 Lakhs) under CSR for the year 2023-2024 (Previous year 2022-2023) had been allocated to projects identified for ongoing project. No disbursement was made during respective years because the concerned entities had requested disbursement of funds from the subsequent year onwards though allocated in the respective year. Accordingly, the amount of Rs 144.64 lakhs (Previous Year Rs 200.63 Lakhs) lakhs has not been considered as spent and shown in the shortfall Column. The amount has already been transferred with in 30 days of close of the financial year in to the bank account maintained for unspent CSR and will be disbursed in accordance with the applicable regulations.

** The Group has not made any transaction with related parties in relation to CSR expenditure as per Ind AS 24.

Excess amount spent during the year to be set off in next year.

\$ Remitted to PM Cares Fund on 09-May-2023 in accordance with applicable regulations.

Note No 33: Related party transactions:
List of Related Parties and Relationships during the year:
a) Subsidiary Companies:

- VLS Securities Limited (100.00%) (VLSSL)
- VLS Asset Management Limited (99.15%) (VAML)
- VLS Real Estate Limited (100.00%) (VREL)

b) Key Managerial Personnel (KMP):

- Shri M.P.Mehrotra (Exec.Vice-Chairman in VLS Finance Ltd. (VLSFL) and Director in VREL) (cessation w.e.f. 5th April 2024 on account of his demise)
- Shri S. K. Agarwal (MD in (VLSFL) and VLSSL and Director in VREL)
- Shri Vikas Mehrotra (Managing Director -International Operations in VLSFL) appointment w.e.f. 12th Jan 2022 * and Director in VLSSL) (cessation w.e.f. 13th July 2023 on account of his demise)
- Shri K. K. Soni (Director Finance & CFO in VLS Finance Ltd. and Director in VLSSL and VREL)
- Shri H Consul (CS in VLS Finance Ltd.)
- Shri Anurag Bhatnagar * (CFO in VLSSL) resigned w.e.f. 31st Aug 2022
- Shri Vishesh Jain (CS in VLS Securities Ltd.) appointed w.e.f. 28th Dec 2022 - ('CS VLS Sec.')
- Shri Aditya Kumar Bansal (CFO in VLS Securities Limited) ('CFO VLS Sec') appointment w.e.f. 15th June 2023
- Shri Keshav Tandan (Executive Director) appointed w.e.f. 29th Mar 2024
- Ms. Unnati Jani (CS in VLSSL) appointed w.e.f. 22nd Mar 2022 - CS VLSSL - resigned w.e.f. 17th Dec 2022

c) Associate: #

- VLS Capital Limited (VLSCL) (Associate of VLSSL)

d) Others:

- Ms. Divya Mehrotra (Director in VLSSL and VREL, and VLSFL w.e.f. 13/11/21) cessation w.e.f. 04/01/2024 on account of her demise)
- M/s Vinayak Pharma – Related to Mr SK Agarwal, MD
- Dr. (Mrs.) Neeraj Arora (Non-Executive Director in VLSFL (resigned w.e.f. 10/05/2023 and SAEL)
- Shri. D. K. Mehrotra (Independent Director in VLSFL.)
- Shri Ajit Kumar (Chairman, Independent Director in VLSFL cessation w.e.f. 26/08/2023 on account of his demise)
- Shri Anoop Mishra (Independent Director in VLSFL (w.e.f. 10th Aug 2023) and VLSSL
- Shri Adesh Kumar Jain (Independent Director in VLSFL (w.e.f. 10th Aug 2023)

- Adesh Kumar Jain and Sons (HUF) (Enterprises in which Non-executive Independent Director in VLSFL Shri Adesh Kumar Jain and their relatives exercises Significant Influence)
- Smt Alka Jain (Wife of Shri Adesh Kumar Jain (Non-executive Independent Director in VLSFL))
- Smt Priyanka Jain (Daughter in law of Shri Adesh Kumar Jain (Non-executive Independent Director in VLSFL))
- Shri Shashank Jain (Son of Shri Adesh Kumar Jain (Non-executive Independent Director in VLSFL))
- Smt Sudha Aggarwal (Wife of Shri S. K. Agarwal (Managing Director in VLSFL and VLSSL and Director in VREL))
- Smt Uma Soni (Wife of Shri K. K. Soni (Director Finance & CFO in VLSFL and Director in VLSSL and VREL))
- Ms. Daya Mehrotra (Promoter Group)
- Pragati Moulders Ltd (Promoter Group)
- Shri Deepak Kumar Chatterjee (Independent Director in VLSFL) (Resigned w.e.f. 04/05/2023)
- M/s Mehrotra & Mehrotra (Firm in which Promoter is Partner)
- Ms. Sadhana Mehrotra (Promoter Group)
- Mahesh Prasad Mehrotra (HUF) (Promoter Group)
- Chai Thela Pvt Ltd (Private Company in which a Director or his relative is a Member or Director)
- South Asian Enterprises Ltd (Promoter Group)
- VLS Commodities Private Limited (Promoter Group)
- Shri Shivesh Ram Mehrotra (Non-executive Non-Independent Director) appointment w.e.f. 13-Feb-2024
- Shri Najeeb Hamid Jung (Non-executive Independent Director) appointment w.e.f. 13-Feb-2024
- Shri Gaurav Goel (Non-executive Non-Independent Director) appointment w.e.f. 13-Feb-2024
- Mrs. Neeraj Vinay Bansal (Non-executive Independent Director) appointment w.e.f. 29-Mar-2024
- Shri Tej Bhan Gupta (Non-Executive Non-Independent Director in VLSS)
- Shri R. K. Goswami (Independent Director in VLSSL and SAEL) (Ceased to be director w.e.f. 07/01/2023 due to his demise).
- Dr. Rajeev Lochan Bishnoi (Independent Director in VLSSL, VLSFL, VLSCL and SAEL) (Resigned from VLSSL, VLSFL, w.e.f. 01/03/2023).

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Transactions with Related Parties in the group:

S No	Name of Related Party	Relationship of the counterparty with the listed entity or its subsidiary	Nature of Transaction	Year Ended March 31, 2024(##)	Year Ended March 31, 2023
1	VLS Capital Limited	Promoter Group	Rent and other Charges received	4.75	2.67
2	M/s Mehrotra And Mehrotra	Firm in which Promoter is Partner	Rent and other Charges received	9.00	7.50
3	Shri M.P.Mehrotra	Key Managerial Personnel	Remuneration ⁴	94.04	107.03
4	Shri Vikas Mehrotra *	Key Managerial Personnel	Remuneration ⁴	22.91	51.35
5	Shri S. K. Agarwal	Key Managerial Personnel	Remuneration ⁴	50.41	43.55
6	Shri K. K. Soni	Key Managerial Personnel	Remuneration ⁴	48.28	41.77
7	Shri H Consul	Key Managerial Personnel	Remuneration ⁴	33.73	29.87
8	Shri Keshav Tandan	Key Managerial Personnel	Remuneration ⁴	0.47	-
9	Shri Aditya Kumar Bansal	Key Managerial Personnel of Subsidiary Company	Remuneration to CFO VLS Sec. ⁴	18.61	-
10	Shri Vishesh Jain	Key Managerial Personnel of Subsidiary Company	Remuneration ⁴	5.42	1.21
11	Ms. Divya Mehrotra	Director	Security Deposit Received back	358.03	26.97
12	Ms. Divya Mehrotra	Director	Rent Paid	25.41	24.20
13	Shri M.P.Mehrotra	Key Managerial Personnel	Rent Paid (as legal Heir of Ms Divya Mehrotra)"	4.41	-
14	Ms. Divya Mehrotra	Director	Sitting Fees	3.00	4.30
15	Shri Ajit Kumar	Non-executive Independent Director	Sitting Fees	1.25	7.10
16	Shri Najeeb Hamid Jung	Non-executive Independent Director	Sitting Fees	1.20	-
17	Shri Gaurav Goel	Non-executive Non-Independent Director	Sitting Fees	0.60	-
18	Mrs. Neeraj Vinay Bansal	Non-executive Independent Director	Sitting Fees	0.60	-
19	Shri Anoop Mishra	Non-executive Independent Director	Sitting Fees	5.45	-
20	Shri Adesh Kumar Jain	Non-executive Independent Director	Sitting Fees	5.10	-
21	Shri Dinesh Kumar Mehrotra	Non-executive Independent Director	Sitting Fees	5.70	6.15
22	Chai Thela Pvt Ltd	Private Company in which a Director or his relative is a Member or Director	Rent/Food Beverages received/ Paid	1.87	2.50
23	South Asian Enterprises Ltd	Promoter Group	Rent and other Charges received	1.20	1.00
24	VLS Capital Limited	Promoter Group	Dividend	200.05	200.05
25	Mahesh Prasad Mehrotra (HUF)	Promoter Group	Dividend	29.76	29.76
26	Ms. Sadhana Mehrotra	Promoter Group	Dividend	13.27	13.27
27	Ms. Divya Mehrotra	Director	Dividend	8.12	8.12
28	VLS Commodities Private Limited	Promoter Group	Dividend	6.87	6.87
29	Shri Vikas Mehrotra		Dividend	7.29	7.29
30	Shri Adesh Kumar Jain	Non-executive Independent Director	Dividend	0.03	-
31	Adesh Kumar Jain and Sons (HUF)	Enterprises in which Non-executive Independent Director and their relatives exercises Significant Influence	Dividend	0.03	-
32	Smt Alka Jain	Relative Non-executive Independent Director	Dividend	0.03	-
33	Smt Priyanka Jain	Relative Non-executive Independent Director	Dividend	0.01	-
34	Shri Shashank Jain	Relative Non-executive Independent Director	Dividend	0.03	-
35	Smt Sudha Aggarwal	Relative of Managing Director	Dividend	-	-
36	Smt Uma Soni	Relative of Director Finance & CFO	Dividend	-	-
37	South Asian Enterprises Ltd	Promoter Group	Dividend	0.02	0.02
38	Shri S. K. Agarwal	Key Managerial Personnel	Dividend	-	-
39	Shri M.P.Mehrotra	Key Managerial Personnel	Dividend	-	-
40	Shri K. K. Soni	Key Managerial Personnel	Dividend	-	-
41	M/s Vinayak Pharma	Enterprises in which Key Management Personnel and their relatives exercise Significant Influence	Sanitizer & Medical consumables/ equipments purchased (COVID-19 preventive measures)	0.02	0.04
42	Shri Deepak Chatterjee	Non-executive Independent Director	Sitting Fees	-	4.40
43	Mrs Neeraj Arora	Director	Sitting Fees	-	5.10
44	Shri Vikas Mehrotra *	Key Managerial Personnel	Sitting Fees	-	0.50
45	Shri Rajeev Lochan Bishnoi	Non-executive Independent Director	Sitting Fees	-	6.65
46	Shri H Consul	Key Managerial Personnel	Repayment of Loan by Company Secretary	-	0.30
47	Shri Anurag Bhatnagar	Key Managerial Personnel of Subsidiary Company	Sale of Asset to CFO VLS Sec.	-	0.13
48	Ms. Unnati Jani	Key Managerial Personnel of Subsidiary Company	Remuneration ⁴	-	3.01
49	Chai Thela Pvt Ltd	Private Company in which a Director or his relative is a Member or Director	Receivables	-	2.70
50	Ms. Divya Mehrotra	Director	Security Deposit Outstanding Balance at the end of period	-	358.03
51	Ms. Divya Mehrotra	Director	Brokerage earned	11.19	6.12
52	VLS Capital Limited	Promoter Group	Brokerage earned	0.03	0.02
53	Ms. Divya Mehrotra	Director	Interest paid on margin money deposits	14.54	8.64
54	Ms. Divya Mehrotra	Director	Sitting Fees	0.45	0.50
55	Mr Anoop Mishra	Non-executive Independent Director	Sitting Fees	1.10	0.63
56	Ms. Divya Mehrotra	Director	Payable as Client	-	1.81
57	VLS Capital Limited	Promoter Group	Other charges Received (GST, STT, Stamp Duty) (as Share Broker)	0.04	0.03

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S No	Name of Related Party	Relationship of the counterparty with the listed entity or its subsidiary	Nature of Transaction	Year Ended March 31, 2024 (#)	Year Ended March 31, 2023
58	Shri Vishesh Jain	Key Managerial Personnel of Subsidiary Company	Honorarium	0.95	-
59	Ms. Divya Mehrotra	Director	Other charges Received (GST, STT, Stamp Duty) (as Share Broker)	9.21	4.18
60	Mr. R. K. Goswami	Non-executive Independent Director	Sitting Fees	-	0.88
61	Shri Rajeev Lochan Bishnoi	Non-executive Independent Director	Sitting Fees	-	1.10
62	Shri Anurag Bhatnagar	Key Managerial Personnel of Subsidiary Company	Remuneration 4	-	17.10
63	Shri Anurag Bhatnagar	Key Managerial Personnel of Subsidiary Company	Sale of Property, Plant and Equipment	-	0.30

* Remuneration was paid w.e.f. 01st June 2022 on receipt on approval from central government on 31st May 2022 and sitting fee of Rs 0.50 lakh paid prior to receipt of intimation had been treated as remuneration for the said period.

Shri Vikas Mehrotra (Managing Director -International Operations) cessation as KMP w.e.f. 13th July 2023 on account of his demise.

Notes:

- The value of transaction represents the value of transaction with related party from the date the party became related party.
- If the amount is less than Rs 500 then the figure is shown as "-" or "0"
- The value of related party transactions are given, excluding applicable taxes if any.
- Key Managerial Personnel Remuneration numbers are in the nature of Short term employee benefits as per IND AS 24. Key Managerial Personnel Remuneration does not include provision for gratuity and Insurance premiums for medical and life. Post employment benefits and other long term benefits are determined for all the employees on actuarial valuation basis. Hence, it is not possible to identify and segregate such compensation pertaining to KMP's for other long term employee benefits and post retirement employee benefits.

Note No 34: 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.

Particulars	31-03-2024	31-03-2023
Borrowings	17.85	68.75
Trade payables	18.42	10.14
Other payables	29.91	33.51
Less: cash and cash equivalents	(2,914.56)	(4,451.91)
Net debt	-	-
Total capital	2,98,264.00	2,50,059.41
Gearing ratio	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 breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

Note No 35: Other Financial Information

a. 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".

Particulars	31 March 2024	31 March 2023
Principal amount remaining unpaid to any supplier as at the period end.	Nil	Nil
Interest due thereon	Nil	Nil
Amount of interest paid	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil

Particulars	31 March 2024	31 March 2023
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	Nil	Nil
b. Earnings in Foreign Currency	Nil	Nil
c. Expenditure in Foreign Currency	Nil	Nil
d. In Note no 6: Receivables dues from related party, Pl. refer note No 33: Related party Transactions.		

Note No 36: Commitments and contingencies
a. Commitments:

Particulars	31 March 2024	31 March 2023
(a) Estimated amount of contracts remaining to be executed on Capital Account.	Nil	Nil
(b) Uncalled liability on shares and other investments partly paid	Nil	Nil
b. Contingent liabilities		
(a) Claims against the Group not acknowledged as debt;		
i) Income tax matters *@	2611.46	Nil
(b) Guarantees excluding financial guarantees; and	Nil	Nil

* Income Tax demand in respect of holding company relating to financial year 2021-22 (AY 2022-23) is Rs 2597.07 Lakhs (Previous year Nil) for which appeal is pending before CIT(A).

This is disputed by the Holding company in appeal and hence not provided for. The Holding company's refund of Rs 70.34 lakh has been withheld and adjusted due to the above demand (Previous year Nil) by the income tax department.

The Holding company has evaluated the notice and demand letter and is of the opinion that it would succeed in appeal. Accordingly, no provision for any liability has been made in these financial statements.

@ Income Tax demand in respect of associate company relating to financial year 2019-20 (AY 2020-21) is Rs 14.39 Lakhs (Previous year Nil) for which appeal is filed and pending for adjudication but tax demand has been adjusted out of refunds due to the associate company.

Note No 37: 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:

Particulars	Carrying value		Fair value	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Financial assets				
Trade Receivables	1,732.20	1,834.47		
Other Receivables	224.69	349.58		
Loans	813.97	814.42		
FVTPL financial investments	34,787.22	-	34,787.22	-
FVTOCI financial investments	2,77,087.95	2,71,273.18	2,77,087.95	2,71,273.18
Other financial assets	17,041.33	11,274.02		
Total	3,31,687.35	2,85,545.67	3,11,875.16	2,71,273.18

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Particulars	Carrying value		Fair value	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Financial liabilities				
Borrowings	17.85	68.75		
Other Financial Liabilities	362.94	332.50		
Total	380.79	401.25	-	-

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 the latest financial figures of the respective company or price multiples of comparable companies or Price Quotation received from intermediaries dealing in unquoted shares. 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 No 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:

- Credit risk
- Liquidity risk
- 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.

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
Assets					
Cash and bank balances	4,005.16	7.25	296.95	-	4,309.36
Trade receivables	1,732.20	-	-	-	1,732.20
Other receivables	224.69	-	-	-	224.69
Loans	1.08	2.96	809.93	-	813.97
Investments	-	-	2,28,696.98	87,087.56	3,15,784.54
Other financial assets	12,693.96	3,922.11	386.66	38.60	17,041.33
Total	18,657.09	3,932.32	2,30,190.52	87,126.17	3,39,906.09
Liabilities					
Trade payables	18.42	-	-	-	18.42
Other payables	29.91	-	-	-	29.91
Borrowings	17.85	-	-	-	17.85
Other financial liabilities	362.94	-	-	-	362.94
Total	429.11	-	-	-	429.11
Net Excess / (shortfall)	18,227.97	3,932.32	2,30,190.52	87,126.17	3,39,476.98

The table below summaries the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at March 31 2023

Particulars	Less than 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total
Assets					
Cash and bank balances	5,375.57	92.31	502.77	-	5,970.65
Trade receivables	1,834.47	-	-	-	1,834.47
Other receivables	349.58	-	-	-	349.58
Loans	6.63	3.79	804.00	-	814.42
Investments	-	-	1,77,170.15	97,881.84	2,75,051.99
Other financial assets	9,996.15	851.35	386.67	39.85	11,274.02
Total	17,562.40	947.45	1,78,863.59	97,921.69	2,95,295.13
Liabilities					
Trade payables	10.14	-	-	-	10.14
Other payables	33.51	-	-	-	33.51
Borrowings	68.75	-	-	-	68.75
Other financial liabilities	332.50	-	-	-	332.50
Total	444.90	-	-	-	444.90
Net Excess / (shortfall)	17,117.50	947.45	1,78,863.59	97,921.69	2,94,850.23

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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 No 39: Employees Benefits
i) Defined Contribution Plans:

Amount of Rs. 41.56 lakhs contributed to provident fund is recognized as an expense under "Employee Cost" in the Statement of Profit and Loss for the current year (Rs. 36.93 lakhs for the financial year 2022-23).

ii) Defined Benefit Plans
a) Gratuity (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.

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:

(Rupees in Lakhs)

	For the year ended 31, March 2024	For the year ended 31, March 2023
1. Assumptions		
Discount rate	7.25%	7.50%
Salary Escalation	5.00%	5.00%
Mortality	IALM 2012-14	IALM 2012-14
2. Changes in present value of obligation during the year		
Present value of obligation as at beginning of the year	282.31	247.94
Interest Cost	20.99	16.92
Current Service Cost	17.55	15.35
Past Service Cost	-	0
Benefits Paid	(9.92)	(26.95)
Actuarial (gain) / loss on obligations	(8.14)	29.05
Present value of obligations as at end of the year	302.79	282.31
3. Changes in fair value of plan assets		
Fair value of plan assets at beginning of year	174.01	174.42
Expected return on plan assets	12.61	12.90

(Rupees in Lakhs)

	For the year ended 31, March 2024	For the year ended 31, March 2023
Contributions	0.04	7.40
Benefits paid	(9.92)	(20.00)
Actuarial gain / (loss) on plan assets	0.09	(0.71)
Fair value of plan assets at the year end	176.83	174.01
4. OCI / Expenses (Re measurements)		
Cumulative Un recognized Actuarial (gain)/loss opening b/f	33.98	4.22
Actuarial (gain) / loss on obligations	(8.14)	29.05
Actuarial (gain) / loss for the year – on plan assets	(0.08)	0.71
Total Actuarial (gain) / loss for the year	(8.22)	29.76
Cumulative total actuarial (gain)/loss c/f	25.76	33.98
5. Amounts to be recognized in the Balance Sheet		
Present value of obligations as at the end of the year	302.79	282.31
Fair value of plan assets as at the end of the year	176.83	174.01
Net (asset) / liability as at the end of the year	125.96	108.30
Funded Status Surplus/ (Deficit)	(125.96)	(108.30)
6. Amounts recognized in the Statement of Profit and Loss		
Current service cost	17.55	15.35
Interest Cost	20.99	16.92
Past Service Cost	-	0
Expected return on plan assets	(12.61)	(12.90)
Net Expenses recognized in Statement of Profit and Loss	25.93	19.37

7 Current Liability/Non-Current Profile:

Period	As at 31 March 2024	As at 31 March 2023
Current Liability (Short Term)	200.61	184.80
Non-Current Liability (Long Term)	102.18	97.51
Total Liability	302.79	282.31

iii Other Long-term Benefits:
a) Compensated absences/ leave encashment (Unfunded):

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:

	For the year ended 31, March 2024	For the year ended 31, March 2023
1. Assumptions		
Discount rate	7.25%	7.50%
Salary Escalation	5.00%	5.00%
2. Changes in present value of obligation during the year		
Present value of obligation as at beginning of the year	30.71	26.54
Interest Cost	2.29	1.81
Current Service Cost	2.97	4.34
Benefits Paid	(0.10)	(1.50)
Actuarial (gain) / loss on obligations	(3.89)	(0.48)
Present value of obligations as at end of the year	31.98	30.71
3. OCI / Expenses (Re measurements)		
Cumulative Un recognized Actuarial (gain)/ loss opening bf	(5.66)	(5.18)
Actuarial (gain) / loss on obligations	(3.89)	(0.48)
Actuarial (gain) / loss for the year – on plan assets	-	0.00
Total Actuarial (gain) / loss for the year	(3.89)	(0.48)
Cumulative total actuarial (gain)/loss c/f	(9.55)	(5.66)
4. Amounts to be recognized in the Balance Sheet		
Present value of obligations as at the end of the year	(31.98)	30.71

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(Rupees in Lakhs)

	For the year ended 31, March 2024	For the year ended 31, March 2023
Fair value of plan assets as at the end of the year	-	0.00
Net (asset) / liability recognized in balance sheet	31.98	30.71
Funded Status Surplus/ (Deficit)	(31.98)	(30.71)
5. Amounts recognized in the Statement of Profit and Loss		
Current service cost	2.97	4.34
Interest Cost	2.29	1.81

	For the year ended 31, March 2024	For the year ended 31, March 2023
Expected return on plan assets	-	0.00
Expenses recognized in Statement of Profit and Loss	5.26	6.15

6 Current Liability/Non-Current Profile:

Period	As at 31 March 2024	As at 31 March 2023
Current Liability (Short Term)	20.19	17.77
Non-Current Liability (Long Term)	11.79	12.94
Total Liability	31.98	30.71

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.

(Rupees in Lakhs)

Particulars	31st-March-24			31st-March-23		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	2,914.56		2,914.56	4,451.91		4,451.91
Bank Balance other than above	1,097.85	296.95	1,394.80	1,015.98	502.77	1,518.75
Trade receivables	1,732.20	-	1,732.20	1,834.47	-	1,834.47
Other receivables	224.69	-	224.69	349.58	-	349.58
Loans	4.04	809.93	813.97	10.42	804.00	814.42
Investments	-	3,15,784.54	3,15,784.54	-	2,75,051.99	2,75,051.99
Other financial assets	16,616.07	425.26	17,041.33	10,847.50	426.52	11,274.02
Total-Financial assets	22,589.40	3,17,316.69	3,39,906.09	18,509.86	2,76,785.28	2,95,295.14
Non-Financial assets						
Current Tax assets	17.29	1,291.22	1,308.51	11.01	1,379.81	1,390.82
Investment Property		6,371.10	6,371.10		6,651.46	6,651.46
Property, plant and equipment		6,666.70	6,666.70		2,528.73	2,528.73
Capital work-in-progress	-	-	-	-	-	-
Other Intangible assets	-	0.13	0.13	-	0.18	0.18
Other non-financial assets	990.09	0.04	990.13	414.20	2.80	417.00
Total-Non financial assets	1,007.38	14,329.19	15,336.57	425.21	10,562.98	10,988.19
Total Assets	23,596.78	3,31,645.88	3,55,242.66	18,935.07	2,87,348.26	3,06,283.33
Liabilities						
Financial Liabilities						
Trade payables	18.42	-	18.42	10.14	-	10.14
Other payables	29.91	-	29.91	33.51	-	33.51
Borrowings	17.85	-	17.85	68.75	-	68.75
Other financial liabilities	362.94	-	362.94	332.50	-	332.50
Total- Financial Liabilities	429.12	-	429.12	444.90	-	444.90
Non Financial Liabilities						
Provisions	394.96	6.19	401.15	333.15	6.61	339.76
Deferred tax liabilities	-	56,050.51	56,050.51	-	55,300.38	55,300.38
Other non financial liabilities	90.13	7.75	97.88	124.38	14.49	138.87
Total-Non Financial Liabilities	485.09	56,064.45	56,549.54	457.53	55,321.48	55,779.01
Total Liabilities	914.21	56,064.45	56,978.67	902.43	55,321.48	56,223.91

Note: 41 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 2024 are as follows:

(Rupees in Lakhs)

Particulars	Carrying amount					Fair value			
	FVTPL	FVTOCI	Amortised cost	At Equity Method	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Cash and cash equivalents	-	-	2,914.56	-	2,914.56	-	-	-	-
Bank balance other than cash and cash equivalents above	-	-	1,394.80	-	1,394.80	-	-	-	-
Receivables									
(I) Trade receivables	-	-	1,732.20	-	1,732.20	-	-	-	-
(II) Other receivables	-	-	224.69	-	224.69	-	-	-	-

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(Rupees in Lakhs)

Particulars	Carrying amount					Fair value			
	FVTPL	FVTOCI	Amortised cost	At Equity Method	Total	Level 1	Level 2	Level 3	Total
Loans	-	-	813.97	-	813.97	-	-	-	-
Investments	34,787.22	2,77,087.95	0.58	3,908.80	3,15,784.54	2,98,632.73	4,489.29	8,753.14	3,11,875.16
Other financial assets	-	-	17,041.33	-	17,041.33	-	-	-	-
Total financial assets	34,787.22	2,77,087.95	24,122.12	3,908.80	3,39,906.09	2,98,632.73	4,489.29	8,753.14	3,11,875.16
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	-	-	18.42	-	18.42	-	-	-	-
(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	-	-	29.91	-	29.91	-	-	-	-
Borrowings (Other than debt securities)	-	-	17.85	-	17.85	-	-	-	-
Other financial liabilities	-	-	362.94	-	362.94	-	-	-	-
Total financial liabilities	-	-	429.11	-	429.11	-	-	-	-

The carrying value and fair value of financial instruments by categories as of 31 March 2023 are as follows:

(Rupees in Lakhs)

Particulars	Carrying amount					Fair value			
	FVTPL	FVTOCI	Amortised cost	At Equity Method	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Cash and cash equivalents	-	-	4,451.91	-	4,451.91	-	-	-	-
Bank balance other than cash and cash equivalents above	-	-	1,518.74	-	1,518.74	-	-	-	-
Receivables									
(I) Trade receivables	-	-	1,834.47	-	1,834.47	-	-	-	-
(II) Other receivables	-	-	349.58	-	349.58	-	-	-	-
Loans	-	-	814.42	-	814.42	-	-	-	-
Investments	-	2,71,273.18	0.59	3,778.22	2,75,051.99	2,65,351.12	3,000.83	2,921.22	2,71,273.18
Other financial assets	-	-	11,274.02	-	11,274.02	-	-	-	-
Total financial assets	-	2,71,273.18	20,243.73	3,778.22	2,95,295.13	2,65,351.12	3,000.83	2,921.22	2,71,273.18
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	-	-	10.14	-	10.14	-	-	-	-
(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	-	-	33.51	-	33.51	-	-	-	-
Borrowings (Other than debt securities)	-	-	68.75	-	68.75	-	-	-	-
Other financial liabilities	-	-	332.50	-	332.50	-	-	-	-
Total financial liabilities	-	-	444.90	-	444.90	-	-	-	-

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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 - is based on NAV as per the latest financial figures of the respective company or price multiples of comparable companies or Price Quotation received from intermediaries dealing in unquoted shares.
- 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)

(Rupees in Lakhs)

Note 42: Tax Expense

The Group 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 therefore 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.

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 from the financial year 2019-20, the same option is elected by subsidiaries and associate company from the financial year 2020-21.

(a) Income Tax (expense)/credit recognised in Statement of Profit and Loss:

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Current tax (expense)/credit:		
1 Current tax for the year	(11,164.78)	(658.60)
2 Excess provision of tax relating to earlier years written back.	3.22	60.09
Total current tax (expense)/credit (A)	(11,161.56)	(598.51)
Deferred tax (expense)/credit:	4,971.91	392.91
Net deferred tax (expense)/credit (B)	4,971.91	392.91
Income tax (expense)/credit (net): (C = A+B)	(6,189.65)	(205.60)

(b) Income Tax (expense)/credit recognised through other comprehensive income:

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
1 Remeasurement of defined benefit plan	(3.01)	7.37
2 Equity instruments through other comprehensive income	(5,719.04)	15,225.94
Total (1+2)	(5,722.06)	15,233.31

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(Rupees in Lakhs)

(c) Reconciliation of estimated Income tax (expense)/credit reported in Statement of Profit and Loss:

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Profit / (loss) before tax	38,623.09	5,802.68
1 Expected income tax (expense)/credit at the applicable tax rates	(9,720.66)	(1,460.42)
Tax effect of adjustments to reconcile expected income tax (expense)/credit at tax rate to reported income tax (expense)/credit		
2 Effect of non-deductible expenses	(172.96)	(124.63)
3 Effect of differential tax rates and carried/brought forward losses	3,729.24	1,029.55
4 Excess provision of tax relating to earlier years written back.	3.22	60.09
5 Effect of income exempt from tax	269.43	291.73
6 Others	(297.92)	(1.92)
Income Tax (expenses)/credit reported in statement of profit and loss (1+2+3+4+5+6)	(6,189.65)	(205.60)

Note No 43: Shareholding of Promoters and Promoter Group

Shares held by Promoters (P) & Promoter Group (PG)			As at 31st-March-2024			As at 31st-March-2023		
S. No	Promoter Name	Category ^(#)	No. of shares (in Nos)	% of Total shares	% change during the year ^(#)	No. of shares (in Nos)	% of Total shares	% change during the year ^(#)
1	VLS Capital Ltd.	PG	1,33,36,538	38.33	-	1,33,36,538	37.86	-
2	VLS Commodities Private Limited	PG	4,57,768	1.32	-	4,57,768	1.30	-
3	South Asian Enterprises Ltd	PG	1,500	-	-	1,500	-	-
4	Divya Mehrotra [@]	PG	5,41,393	1.56	-	5,41,393	1.54	-
5	Mahesh Prasad Mehrotra(HUF)	PG	19,84,262	5.70	-	19,84,262	5.63	-
6	Sadhana Mehrotra	PG	8,84,691	2.54	-	8,84,691	2.51	-
7	Vikas Mehrotra [@]	PG	4,85,783	1.40	-	4,85,783	1.38	-
8	Mahesh Prasad Mehrotra	P	1	-	-	1	-	-
Total (*)			1,76,91,936	50.84		1,76,91,936	50.22	

\$ Promoters = P, Promoter Group = PG

Percentage change has been computed considering the number of shares at the beginning of the year.

@ Mr. Vikas Mehrotra, passed away on 13th July 2023 and Ms Divya Mehrotra, passed away on 04-Jan-2024. Accordingly, both had ceased to be part of the Promoter and Promoter Group of the Company in accordance with Regulation 31A(6)(c) of the SEBI (LODR) Regulations, 2015. However, till the completion of Transmission of their shares in favour of their Nominee(s)/Legal Heir(s) their names will be shown under the Promoter and Promoter Group, and their shareholding will be shown against their name.

* % of shareholding increased as at 31st March 2024 due to buyback of equity shares during the financial year 2023-24 and consequent extinguishment of said equity share during the financial year 2023-24.

Note No 44: Ageing of Trade & Other Payables
Ageing of Trade Other Payables as on 31-03-2024

(Rupees in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	-	-	-	-	-
(ii) Others	48.33	42.49	0.01	-	5.83
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Ageing of Trade Other Payables as on 31-03-2023

(Rupees in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	-	-	-	-	-
(ii) Others	43.65	37.81	0.01	-	5.83
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

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Note No 45: Ageing of Trade & Other Receivables

(Rupees in Lakhs)

Ageing of Trade & Other Receivables as on 31-03-2024

Particulars	Outstanding for following periods from due date of payment					
	Total	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables Other Receivables – considered good	1,956.89	1,789.44	166.96	0.24	0.01	0.24
(ii) Undisputed Trade Receivables Other Receivables - significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables Other Receivables -Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables Other Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables Other Receivables - significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables Other Receivables - Credit impaired	-	-	-	-	-	-
(vii) Allowance for Expected credit losses	-	-	-	-	-	-
Total	1,956.89	1,789.44	166.96	0.24	0.01	0.24

Ageing of Trade & Other Receivables as on 31-03-2023

Particulars	Outstanding for following periods from due date of payment					
	Total	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables Other Receivables – considered good	2,183.35	1,908.23	268.68	0.40	0.34	5.70
(ii) Undisputed Trade Receivables Other Receivables - significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables Other Receivables - Credit impaired	25.70	-	-	-	-	25.70
(iv) Disputed Trade receivables Other Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables Other Receivables - significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables Other Receivables - Credit impaired	-	-	-	-	-	-
(vii) Allowance for Expected credit losses	(25.00)	-	-	-	-	(25.00)
Total	2,184.05	1,908.23	268.68	0.40	0.34	6.40

Note No 46: Loans or advances in the nature of loans as per additional regulatory disclosure of schedule III to Companies Act 2013.

As at 31.03.2024		
Type of Borrower	Amount of loan or advance in the nature of loan outstanding	% to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	-	-

As at 31.03.2023		
Type of Borrower	Amount of loan or advance in the nature of loan outstanding	% to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	-	-

CONSOLIDATED FINANCIAL STATEMENTS
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Note 47: Relationship with Strike off Companies

Sl. No.	NAME OF THE COMPANY	NATURE OF TRANSACTION										RELATIONSHIP (IF ANY)
		INVESTMENT IN SECURITIES OF SUCH COMPANY (Nos.)		RECEIVABLES (Amount Rupees in Lakhs)		PAYABLES (Amount Rupees in Lakhs)		SHARES HELD BY SUCH COMPANY * (In Nos.)		OTHER OUTSTANDING: UNPAID DIVIDEND (Amount Rupees in Lakhs)		
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	
1	Colocar Leasing & Finance P Ltd	-	-	-	-	-	-	600	600	0.04	0.04	NIL
2	Guru Rakha Inveshment Pvt Ltd	-	-	-	-	-	-	100	100	0.01	0.01	NIL
3	Lakshmi Fintrade Pvt Ltd (Shri Lakshmi Fintrade Private Limited)	-	-	-	-	-	-	600	600	0.04	0.04	NIL
4	Maneela Finance Investment Pvt Ltd (Maneela Finance And Investments Private Ltd)	-	-	-	-	-	-	600	600	0.05	0.04	NIL
5	Money Tree Plantation Pvt Ltd	-	-	-	-	-	-	1,200	1,200	0.09	0.08	NIL
6	Nav Trading And Investments Private Limited	-	-	-	-	-	-	3,600	3,600	0.28	0.24	NIL
7	Options Financial Services Ltd	-	-	-	-	-	-	600	600	0.05	0.04	NIL
8	Paavan Securities Pvt Ltd	-	-	-	-	-	-	400	400	0.03	0.03	NIL
9	Paradise Finstock Service Pvt Ltd	-	-	-	-	-	-	600	600	0.05	0.04	NIL
10	Rahat Holdings & Estates P Ltd	-	-	-	-	-	-	600	600	0.05	0.04	NIL
11	Siddhi Commodeal Private Limited	-	-	-	-	-	-	400	400	0.03	0.03	NIL
12	BKG Securities Private Limited	-	-	-	-	-	-	300	-	-	-	NIL
13	Sis Share & Stock Br. Pvt Ltd (Guardian Share And Stock Brokers Private Ltd)	-	-	-	-	-	-	200	200	0.02	0.01	NIL
14	Sunshine Holdings P Ltd	-	-	-	-	-	-	9,300	9,300	0.63	0.52	NIL
15	Yashika Finlease And Holdings P Ltd	-	-	-	-	-	-	2,400	2,400	0.19	0.16	NIL
	Total	-	-	-	-	-	-	21,500	21,200	1.56	1.31	

* In the financial years ended March 31, 2024 and March 31, 2023, the Group did not have any transaction with above equity shareholders, being the companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956. Our Group has not allotted any Equity share to the said companies. The shareholding data is as per the record of beneficiary position downloaded by the Registrar and Transfer Agent of the Group from the database maintained by the depositories and reported to us for the purpose of this disclosure.

Note 48: Key Ratios
Part A

S No	Particulars	As at 31st-March-2024	As at 31st-March-2023
1	Capital to risk- weighted assets ratio	NA *	NA *
2	Tier I CRAR	NA *	NA *
3	Tier II CRAR	NA *	NA *
4	Liquidity Coverage Ratio	NA *	NA *

* Note: As the Group is not registered with RBI as NBFC by virtue of exemption given by RBI, the above ratios are not applicable to the Group.

Part B

S No	Particulars	As at 31st-March-2024			As at 31st March 2023			% Change from previous period in Current Year	Reason for Change (if Change > 25 %)
		Numerator (Rs. in Lakhs)	Denominator (Rs. in Lakhs)	Ratio	Numerator (Rs. in Lakhs)	Denominator (Rs. in Lakhs)	Ratio		
1	2	3	4	5 = 3 / 4	6	7	8 = 6 / 7	9 = (5-8) / 8	10
1	Return on equity (PAT / Equity) (%)	32,433.44	2,98,264.00	10.87	5,597.08	2,50,059.41	2.24	385.27	There is increase in the ratio due to increase in the Profit during the current year.
2	Return on Assets (PAT / Total Assets) (%)	32,433.44	3,55,242.66	9.13	5,597.08	3,06,283.32	1.83	398.91	There is increase in the ratio due to increase in the Profit during the current year.

CONSOLIDATED FINANCIAL STATEMENTS

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

S No	Particulars	As at 31st-March-2024			As at 31st March 2023			% Change from previous period in Current Year	Reason for Change (if Change > 25 %)
		Numerator (Rs. in Lakhs)	Denominator (Rs. in Lakhs)	Ratio	Numerator (Rs. in Lakhs)	Denominator (Rs. in Lakhs)	Ratio		
1	2	3	4	5 = 3 / 4	6	7	8 = 6 / 7	9 = (5-8) / 8	10
3	Current Ratio (Cash, Bank, Receivables & Other Fin. Assets) / (Financial Liabilities) (Times)	23,307.58	429.12	54.32	19,428.72	444.90	43.67	24.39	Within Limit

Note No 49: Investment Property

(Rupees in Lakhs)

PARTICULARS		As at 31st-March-2024	As at 31st-March-2023
(i)	Investment in Property		
a)	Balance at the beginning of the year [§]	6,651.46	70.94
b)	Addition during the year [§]	6.17	6,580.52
c)	Deduction during the year	(15.25)	-
d)	Depreciation/Impairment for the year	(271.28)	-
e)	Balance at the end of the year	6,371.10	6,651.46
	<i>§ Including Stamp Duty & Registration charges</i>		
(ii)	Fair value of Investment property *		
a)	Building	843.31	852.76
b)	Freehold Land	6,277.69	5,761.29
	Total	7,121.00	6,614.05

* Pl. refer below mentioned foot note (iv) for Fair Value Hierarchy:

(iii) Amounts recognised in the statement of profit and loss in relation to investment Property

PARTICULARS	Year ended 31-March-2024	Year Ended 31-Mar-2023
a) Rental Income from investment property ^(*, @)	523.94	4.23
b) Direct operating expenses rising from investment property that generated rental income during the year	(37.19)	(0.07)
c) Direct operating expenses arising from investment property that did not generate rental income during the year	(0.23)	(0.21)
d) Profit from investment property before depreciation	486.52	3.95
e) Depreciation charge for the year	(271.28)	-
f) Profit from investment property after depreciation	215.24	3.95

Rental income recognised by the Group is included in Other Income as Rental income from Investment properties Pl. refer Note no: 25 - Other Income.

@ Rental Income from investment property includes Rs 10.34 Lakh (Previous Year 0.08 lakhs) as income, recognised on interest free security deposit received from lessee, as per relevant accounting standard.

(iv) Fair Value Hierarchy:

The fair values of the investment properties as mentioned in (ii) above as at 31-Mar-2024 is based on valuations performed by valuer Green Brick Valuers Pvt Ltd, an approved valuer from Insolvency and Bankruptcy Board of India (IBBI) - vide IBBI/RV/-E-2/2023/189. The valuation of land has been done by the valuer on the basis of market value of property considering the location, size of plot, civic amenities available near the land. Further valuation of building has been done as per depreciated CPWD rates.

(v) Leasing arrangements

Investment properties are leased out to tenants under operating lease. Disclosure of future rent receivable is included in Note No 50: Disclosure Under Ind As 116 Lease.

(vi) Contractual obligations

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop the investment property. However, the responsibility for its repairs and maintenance is with the Group.

CONSOLIDATED FINANCIAL STATEMENTS

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

Note No 50: Disclosure Under Ind As 116 Lease
Leases
1 Group as a lessee:

The Group has taken premises on operating lease for the period which ranges from 11 months to 36 months with an option to renew the lease by mutual consent on mutually agreeable terms.

The Group has applied the exemptions not to recognise right-of-use assets and liabilities for lease with less than 12 months of term lease.

Information about leases for which the Group is a lessee for more than 12 months are presented below:

Particulars	(Rupees in Lakhs)	
	As at 31st-March-2024	As at 31st Mar 2023
Opening balance	40.70	58.22
Movement during the year	-	3.23
Amortisation on Right-Of-Use (ROU) assets	(22.17)	(20.75)
Closing balance	18.53	40.70

Pl. refer note 11a.

(B) The movement in lease liabilities are as follows:

Particulars	As at 31st-Mar-2024	As at 31st Mar 2023
Opening balance	42.95	58.60
Additions		
Amounts recognised in statement of profit & loss as Interest on lease liabilities in Finance Costs	3.48	5.32
Payment of lease liabilities	(25.41)	(24.20)
Adjustment on account of termination	-	-
Adjustment on account of modification	-	3.23
Closing balance	21.02	42.95

(C) Maturity analysis - Cashflows of Contractual maturities of lease liabilities

Particulars	As at 31st-Mar-2024		
	Lease payments	Finance cost	Net present Value
Not later than one year	21.02	1.03	22.05
Later than one year and not later than five years	-	-	-
Later than five years	-	-	-
Total	21.02	1.03	22.05

Particulars	As at 31st Mar 2023		
	Lease payments	Finance cost	Net present Value
Not later than one year	21.93	3.48	25.41
Later than one year and not later than five years	21.02	1.03	22.05
Later than five years	-	-	-
Total	42.95	4.51	47.46

(D) Amount recognised in statement of profit & loss

Particulars	Year ended 31-March-2024	Year Ended 31-Mar-2023
Interest cost on lease liabilities.	3.48	5.32
Amortization Right of Use Assets.	22.17	20.75
Rental Expenses recorded for short-term lease payments and payments for leases of low-value assets not included in the measurement of the lease liability (included in other expense).	11.34	25.07

2 Group as a lessor:
(A) Lessor - Operating Lease:

The Group has leasing arrangements in respect of operating leases for its premises. The Group has entered into operating leases for its Investment property and for other assets. These have lease terms of between 11 months to 36 months.

(B) Rental Income as operating lease recognised in the statement of profit and loss is as follows:

Particulars	Year ended 31-March-2024	Year Ended 31-Mar-2023
Rental income from other assets *	51.70	13.67
Rental income from Investment properties *	523.94	4.23
Total	575.64	17.90

* Rental income recognised by the Group is included in "Other Income" (Pl. refer Note 25).

CONSOLIDATED FINANCIAL STATEMENTS
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(Rupees in Lakhs)

(C) **Future minimum rentals receivable under operating leases are, as follows:**

Particulars	As at 31st-Mar-2024	As at 31st Mar 2023
Not later than one year	599.00	525.00
Later than one year and not later than five years	346.00	751.00
Later than five years	-	-
Total	945.00	1,276.00

Note 51: 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) :
(Form AOC-1)
Part A: Subsidiaries:

(Rupees in Lakhs)

Sl. No.	Name of the Subsidiary	VLS Securities Limited	VLS Asset Management Limited	VLS Real Estate Limited
		As at 31.03.2024	As at 31.03.2024	As at 31.03.2024
1	Reporting Currency	INR	INR	INR
2	Share Capital	3,000.00	7.07	10.00
3	Other Equity	1,05,620.50	(16.55)	(6.31)
4	Total Assets	1,40,620.11	0.16	3.69
5	Total Liabilities	31,999.61	9.64	-
6	Investments	1,39,377.03	-	-
7	Turnover/Total Income	712.94	-	-
8	Profit/(Loss) Before Taxation	387.32	(0.04)	(0.20)
9	Provision for Tax (expense)/credit (net):	(97.24)	-	-
10	Profit/(Loss) After Taxation	290.08	(0.04)	(0.20)
11	Other Comprehensive Income	(3,785.90)	-	-
12	Total Comprehensive Income	(3,495.82)	(0.04)	(0.20)
13	Proposed Dividend	-	-	-
14	% of Shareholding	100.00%	99.15%	100.00%

1. Names of Subsidiaries which are yet to commence operations

- VLS Asset Management Limited
- VLS Real Estate Limited

2. Names of Subsidiaries which have been liquidated or sold during the year- N.A.

(Form AOC-1)
Part B: Associates:

(Rupees in Lakhs)

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 31.03.2024			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.	31.03.2024	98,20,833	2,538.54	42.40%	3,908.80	130.58	0	Note – A

1. Names of associates or joint ventures which are yet to commence operations. N.A.

2. Names of associates or joint ventures which have been liquidated or sold during the year- N.A.

Note:

A. There is significant influence due to percentage (%) of Share Capital.

* after inter-company eliminations due to consolidations.

(Rupees in Lakhs)

Note 52: Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Associate as on 31.03.2024

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	67.36	2,00,902.87	98.73	32,021.99	122.19	20,799.45	106.81	52,821.44
Subsidiaries (Indian):								
VLS Securities Limited	35.41	1,05,620.50	0.89	290.08	(22.24)	(3,785.92)	(7.07)	(3,495.84)

CONSOLIDATED FINANCIAL STATEMENTS

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

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
VLS Asset Management Limited	(0.01)	(16.47)	(0.00)	(0.04)	-	-	(0.00)	(0.04)
VLS Real Estate Limited	(0.00)	(6.31)	(0.00)	(0.20)	-	-	(0.00)	(0.20)
Inter-company eliminations due to consolidation	(3.22)	(9,606.77)	-	-	-	-	-	-
Non-controlling interest								
Subsidiaries (Indian)	(0.00)	(0.08)	(0.00)	(0.00)	-	-	(0.00)	(0.00)
Associate:								
VLS Capital Limited	0.46	1,370.26	0.37	121.61	0.05	8.97	0.26	130.58
Total	100.00	2,98,264.00	100.00	32,433.44	100.00	17,022.50	100.00	49,455.93

Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Associate as on 31.03.2023

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	59.72	1,49,332.78	93.69	5,244.00	44.40	(20,108.07)	37.45	(14,864.07)
Subsidiaries (Indian):								
VLS Securities Limited	43.63	1,09,116.34	4.46	249.41	55.61	(25,185.14)	62.82	(24,935.73)
VLS Asset Management Limited	(0.01)	(16.43)	(0.00)	(0.06)	-	-	0.00	(0.06)
VLS Real Estate Limited	(0.00)	(6.11)	(0.00)	(0.06)	-	-	0.00	(0.06)
Inter-company eliminations due to consolidation	(3.84)	(9,606.77)	-	-	-	-	-	-
Non-controlling interest								
Subsidiaries (Indian)	(0.00)	(0.08)	(0.00)	(0.00)	-	-	0.00	(0.00)
Associate:								
VLS Capital Limited	0.50	1,239.68	1.85	103.79	(0.01)	2.55	(0.27)	106.34
Total	100.00	2,50,059.41	100.00	5,597.08	100.00	(45,290.66)	100.00	(39,693.58)

Note No: 53: Intangible Assets under Development Ageing Schedule

There are no intangible assets under development as on March 31, 2024, as well as on March 31, 2023.

Note No 54: Subsequent events:

There were no significant events after the end of the reporting period which require any adjustment or disclosure in the financial statements other than as stated below:

The Board of Directors at its meeting held on 28th May 2024 has proposed a final dividend of Rs. 1.50 per equity share plus special dividend of Rs 1.00 per equity share for the financial year ended 31-March 2024. Accordingly total proposed dividend for the financial year ended 31-March 2024, will be aggregate of the final dividend and special dividend amounting to Rs 2.50 per equity share. Thus, the total Dividend will be 25% on face value of Rs.10/- per equity share, subject to approval by the members of the Company at the forthcoming Annual General Meeting.

Pursuant to the Regulation 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the listing regulations, the Book Closure period for the purpose of payment of the dividend to be declared at the 37th AGM will be from September 21st, 2024, to September 28th, 2024 (both days inclusive).

The dividend, if approved, will be paid on or before 28th-October-2024 subject to deduction of tax at source as per the applicable rate(s), to the members whose name stand in the register of members on the date of closure of transfer books for this purpose.

Note No 55: Segment reporting:

The Group is primarily engaged in the business of investment & Sale/Pur-

chase of Shares/Securities & Derivatives including the business of stock broking. As such the Group's financial statements are largely reflective of the investment business. There are no separate reportable segments identified as per the Ind AS 108 - Operating segments. Further the Group does not have any reportable geographical segment. Hence segment-wise reporting has not been made.

Note No 56: Additional Regulatory disclosures.

- During the financial years ended March 31, 2024, and March 31, 2023, the Group has not revalued its property, plant and Equipment.
- All the lease agreements are executed in favor of the Group for properties where the Group is the lessee.
- During the financial years ended March 31, 2024, and March 31, 2023, the Group has not revalued its intangible assets.
- The Group has been sanctioned working capital limits from Banks/ financial institutions on the basis of security of Group's own fixed deposits. Therefore, during the financial years ending March 31, 2024, and March 31, 2023, the Group is not required to file the Quarterly return/ statements of current assets with banks and financial institutions.
- The Group has complied with the number of layers prescribed under clause (87) of section 2 of the act read with companies (Restriction on number of layers) rule 2017.
- During the financial years ended March 31, 2024, and March 31, 2023, no Scheme of Arrangements related to the Group has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

CONSOLIDATED FINANCIAL STATEMENTS
Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

(Rupees in Lakhs)

(vii) Utilisation of Borrowed funds and share premium: -

- a. The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to any other person or entity, including foreign entity (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. The Group has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Group shall:
 - (i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(viii) No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at March 31, 2024, and March 31, 2023.

- (ix) The Group has not been declared willful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2024, and March 31, 2023.
- (x) There is no creation or satisfaction of charges which are pending to be filed with ROC as at March 31, 2024, and March 31, 2023.
- (xi) The Group has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2024, and March 31, 2023.
- (xii) The Group does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). No previously unrecorded income and related assets have been recorded in the books of account during the year.

There are no items of income and expenditure of exceptional nature for the financial years ended March 31, 2024, and March 31, 2023.

Note No 57: Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/dis-closure and rounding off errors have been ignored.

Note No 58: The amounts reflected as "0" or "-" in the financial information are values with less than rupees five hundred or "0".

As per our report of even date attached

For Agiwal & Associates
Chartered Accountants
(FRN: 000181N)

For and on behalf of the board

CA P. C. Agiwal
Partner
Membership No.080475

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

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

Place: New Delhi
Date: May 28th 2024
UDIN: 24080475BKFKZT4016

Keshav Tandan
Executive Director
(DIN: 10450801)

H. Consul
Company Secretary
M. No A-11183

Notes

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VLS FINANCE LIMITED

Regd. Office : Ground Floor, 90, Okhla Industrial
Estate, Phase-III, New Delhi-110 020

Phone : 011-46656666