

# ANNUAL REPORT 2021



TEAM VEDIKA



**ONLY HAPPINESS OF THE ENTREPRENEUR JUSTIFIES OUR VISION**

**“PARTNER IN THE GROWTH OF MICRO ENTREPRENEUR”**

## **VEDIKA CREDIT CAPITAL LTD**

**REGISTERED OFFICE**  
VILLAGE - COLLAGE PALLY  
P.O. - SHIULI TELINI PARA  
P.S. - TITAGAR  
KOLKATA PARGANAS NORTH  
WEST BENGAL- 700121,  
INDIA

**CIN: U67120WB1995PLC069424**

**DOI: 15.03.1995**

**Email: - [compliance@teamvedika.com](mailto:compliance@teamvedika.com)**

**Toll Free No.: - 1800-123-6108**

**HEAD OFFICE**  
406, SHRILOK COMPLEX  
4<sup>TH</sup> FLOOR, H.B. ROAD,  
RANCHI-834001, JHARKHAND  
INDIA

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

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**Mr. Ummed Mal Jain**

Chairman

**Mr. Gautam Jain**

Managing Director

**Mr. Vikram Jain**

Whole Time Director

**Mr. Maqsoodul Hasan Ansari**

Independent Director

**Mr. Deep Kumar Hessa**

Independent Director

**Mr. Siba Prasad Nayak**

Nominee Director

## MANAGEMENT TEAM

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**Mr. Pradeep Sharma**

Chief Operating Officer

**Mr. Abhishek Agarwal**

Chief Financial Officer

**Mr. Biplob Sengupta**

Chief Human Resource Officer

**Mr. Chandan Kumar**

Operational Audit Head

**Mr. Gaurav Kumar Vohra**

Company Secretary

## STATUTORY AUDITOR

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**N.K. Kejriwal & Co.**

11, G.E.L Church Complex,  
2nd Floor, Ranchi-834001, Jharkhand

T: 0651- 2330441, 2331910

E: nkk.fca@gmail.com

## INTERNAL AUDITOR

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**B C Dutta & Co.**

2, east jail road,  
Ranchi- 834001, Jharkhand,

T: +91 651 2208616

E: bcduttaandco@gmail.com

## REGISTRAR & SHARE TRANSFER AGENT

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**Niche Technologies Private Limited**

3A, Auckland Place,  
7Th Floor, Room No. 7A & 7B,  
Kolkata-700017, West Bengal  
T: 033-2280-6616, 033-2280-6617  
E: nichetechpl@nichetechpl.com

## DEBENTURE TRUSTEE

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**IDBI Trusteeship Services Limited**

Asian Building, Ground Floor, 17,  
R. Kamani Marg, Ballard Estate,  
Mumbai – 400 001

T: (91) (22) 40807016/(91) (22)  
40807027

E: [naresh.sachwani@idbitrustee.com](mailto:naresh.sachwani@idbitrustee.com)

## DEPOSITORY

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**National Securities Depository  
Limited**

Trade World, 'A' Wing, 4th Floor,  
Kamala Mills Compound,  
Senapati Bapat Marg,  
Lower Parel (West), Mumbai – 400 013

**Central Depository Services (India)  
Limited**

Regd. Office: Marathon Futurex,  
A-Wing, 25th floor, NM Joshi Marg,  
Lower Parel, Mumbai 400

## Funding Partner

Mas financial services limited	Bank of Baroda
SIDBI	Yes bank limited
Oriental bank of commerce	Maanveeya development & finance private limited
Jain sons finlease limited (intellegrow)	Centrum financial services limited
Electronica finance limited	Suryoday small finance bank limited
IDFC first bank limited (capital first limited)	Profectus capital private limited
Muthoot capital services limited	Shriram city union finance limited
Mahindra & Mahindra financial services limited	Vijaya bank
Tata capital financial services limited	Nabkisan finance limited
Ananya finance for inclusive growth private limited	Mudra
Habitat microbuild housing finance company limited	Axis bank limited
Canara bank	Satin creditcare network ltd
Money wise financial services private limited	UC inclusive credit private limited
Nabard financial services ltd. (nabfins)	Eclear leasing & finance private limited
Visu leasing & finance private limited	Hero Fincorp limited
Capital small finance bank limited	United bank of India
Fincare small finance bank ltd	Bank of Maharashtra
Hinduja leyland finance limited	Shine star build-cap private limited
Union bank of India	Samunnati financial intermediation & services private limited
Arohan financial services private limited	Hiranandani financial services private limited

# LEADING THE WAY



**MANAGING DIRECTOR**  
**MR. GAUTAM JAIN**

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**CHIEF OPERATING OFFICER**  
**MR. PRADEEP SHARMA**

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**WHOLE TIME DIRECTOR**  
**MR. VIKRAM JAIN**

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**CHIEF HUMAN RESOURCE OFFICER**  
**MR. BIPLOB SENGUPTA**

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**CHIEF FINANCIAL OFFICER**  
**MR. ABHISHEK AGARWAL**

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**COMPANY SECRETARY**  
**MR. GAURAV KUMAR VOHRA**

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**OPERATIONAL AUDIT HEAD**  
**MR. CHANDAN KUMAR MALVIYA**

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## Chairman's Speech



Dear Shareholder,

I wish to start the speech by the one of the latest experiences & milestone that your company achieved in this financial year. Your Debt issue was listed in the recognized stock exchange i.e., Bombay Stock Exchange.

Now let me touch some operational & financial milestones achieved by you company this year. Currently your company is working in seven states with 190 Plus branches with own portfolio of around 341.45 crores(AUM 512.41 crores). Whereas repayment rate is more than 95%.

Further the issue is how your Company will fare in this financial year under the shadow of COVID-19 but I am glad to state that the management has thought, acted, worked, conducted and collaborated in an outstanding manner to record considerable growth, despite various local disruptions in its areas of operations

Your Senior Management is using this grave situation to cut operational costs wherever possible, while simultaneously improving efficiency and the IT infrastructure for even faster delivery

I am confident of Team Vedika. It has best-in-class people running great businesses; it has excellent systems and processes; it has developed outstanding risk metrics; and it has shown nimbleness in adapting to changed circumstances. Therefore, despite COVID-19, I believe that your Company will continue to do well in FY2021-22.

The Board and all Committees of the Board meet regularly and go deep into required details along with the independent directors. Related Party transactions are also looked at carefully and Human Resources practices always form a key focus area. It is further notable how the industry, represented by its Self-Regulatory Organizations, Sa-Dhan, made strong efforts in pushing the envelope. This helped bring about consensus in recognizing the role of the industry in not just financial inclusion but also job creation in India, among the socio-economically disadvantaged

May I, on your behalf, encourage board members & all senior management, every business head and every employee of team vedika to leverage the Company's core strengths to prove that even a hurdle as serious as COVID-19 can be overcome. Because, together, we can. As we have. With my best wishes. And my prayers that you and your family stay safe. Yours sincerely,

I wish the management of Vedika all the best in their endeavors to make it a vehicle of effective impact in the lives of the millions of customers from the vulnerable sections of society, whom we have an opportunity to serve.

Warm Regards,

Ummed Mal Jain  
Vedika Credit Capital Ltd  
**Chairman, Board of Directors**

# VISION, MISSION & CORE VALUES



## Mission

"Partner in the Growth of Micro Entrepreneurs"



## Core Values:

### Veracious (speaking or representing the truth):

"We maintain high morality in delivery of products and processes, led by our exceptional leadership. We aim to behave with integrity and honesty in dealings with our stakeholders."

### Empowerment:

"We want to empower and encourage the economically poor to strengthen their entrepreneur skills to improve their standard of living."

### Dependable:

"Through our fair and ethical practices, we want to create a sense of trust in our stakeholders to foster a long-term relationship and provide solution to all their financial needs."

### Inclusion of everyone:

"Everyone matters. So, we try to provide access to useful and affordable financial products to each individual and business. In order to achieve inclusive development and growth, the expansion of financial services to all sections of the society is of utmost important."

### Key to customer growth:

"We want to assist our customers to be financially and socially affluent. We want to be one step solution to all their financial needs and to be a partner in their growth"

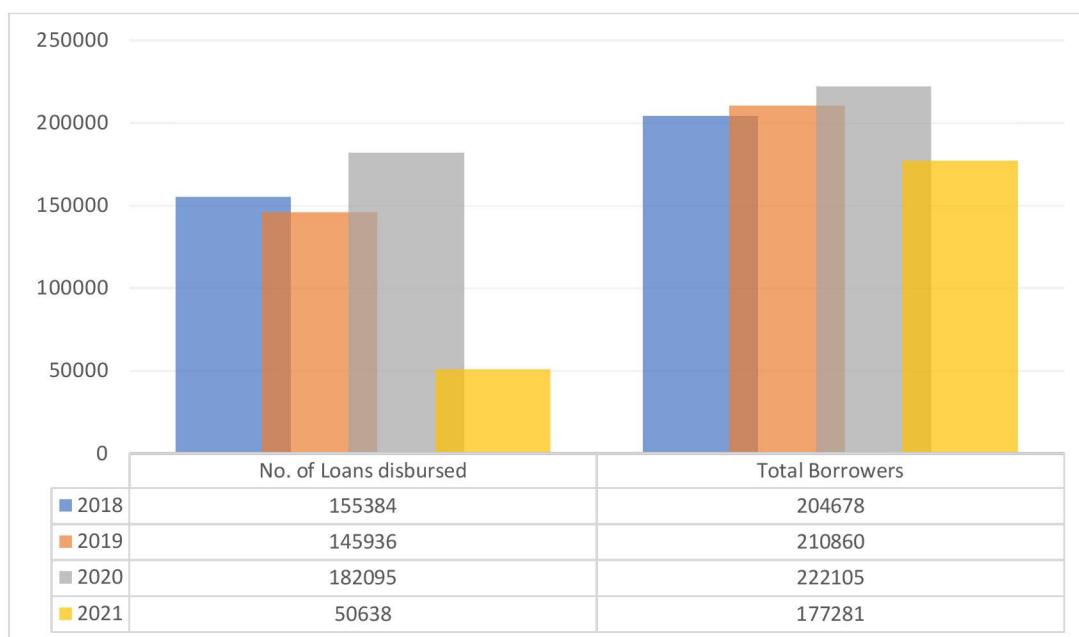


## Vision

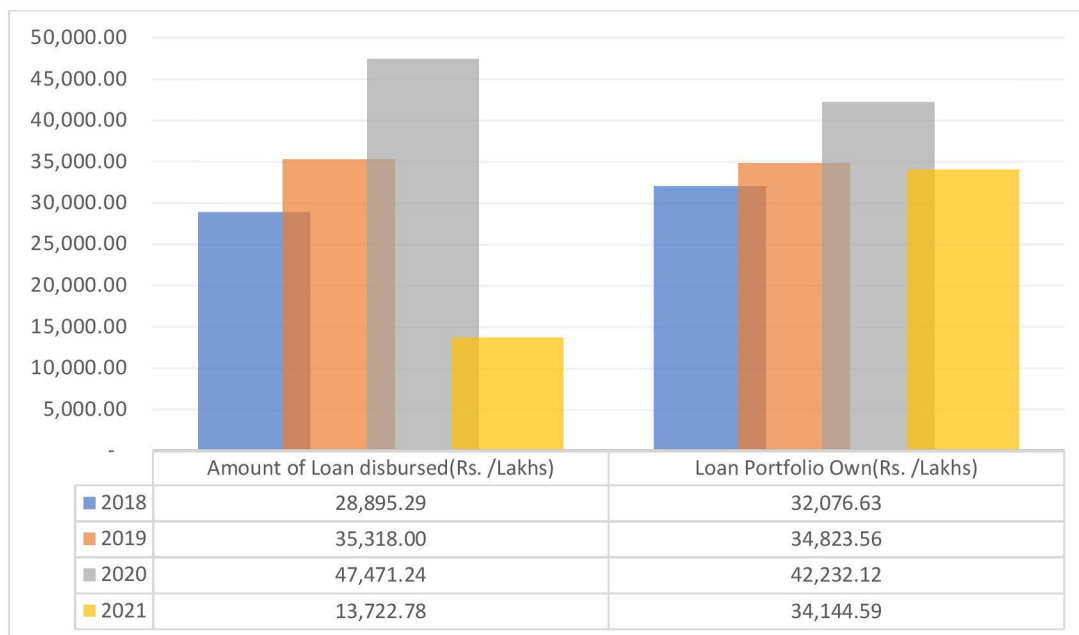
"To be the Leader on providing Total Financial Solution to Micro Entrepreneurs"

# OPERATIONAL HIGHLIGHTS

## No. of Loan Disbursed & Total Borrowers

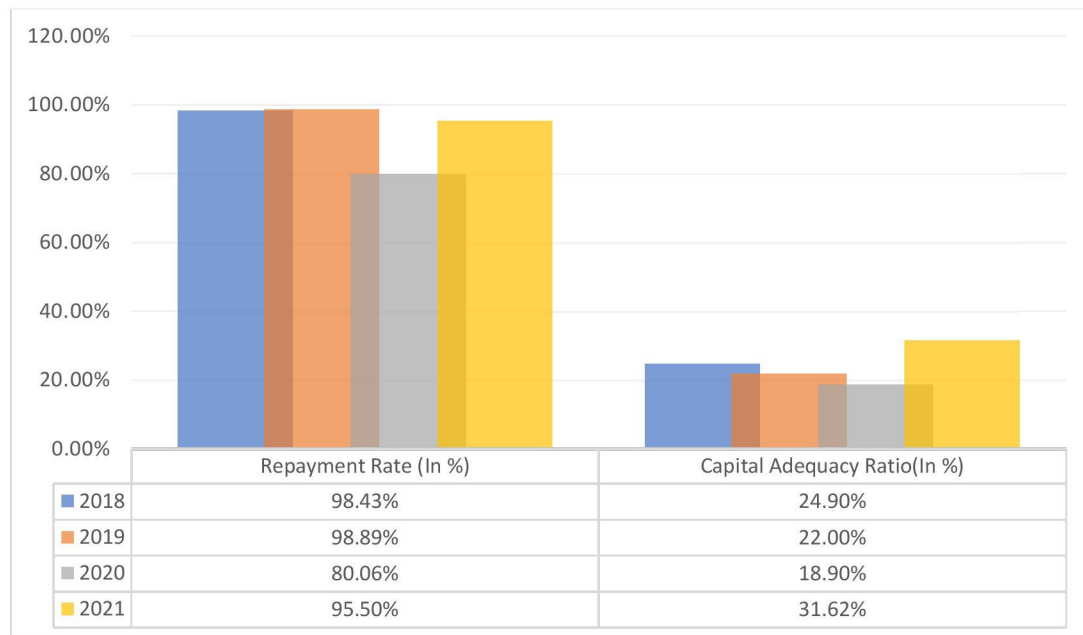


## Amount of Loan disbursed & Loan Portfolio Own (Rs. /Lakhs)

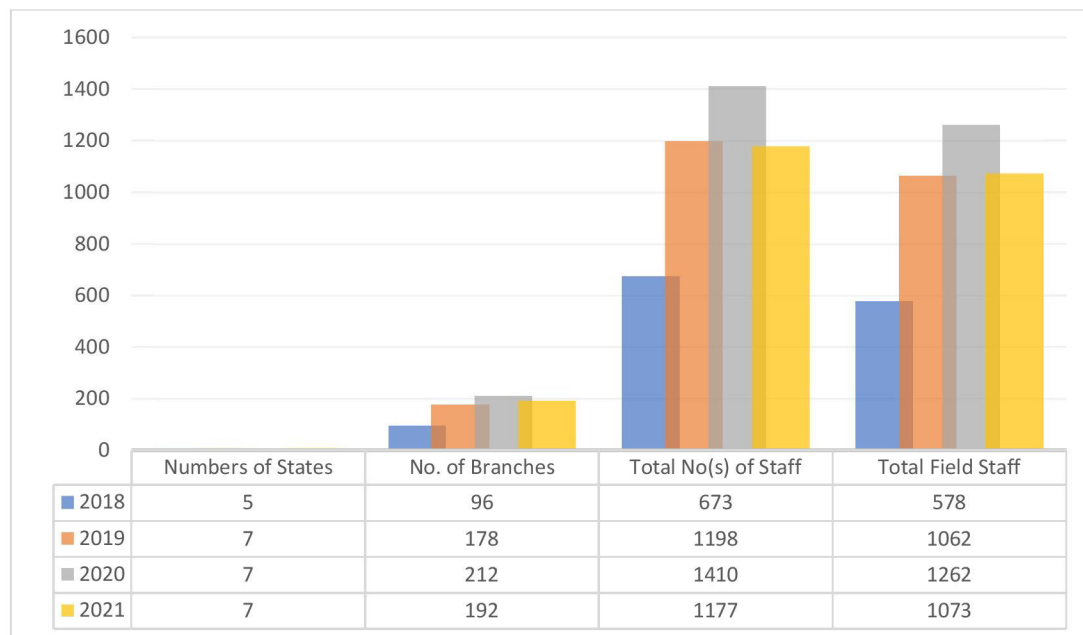




### Repayment Rate & Capital Adequacy Ratio (In %)

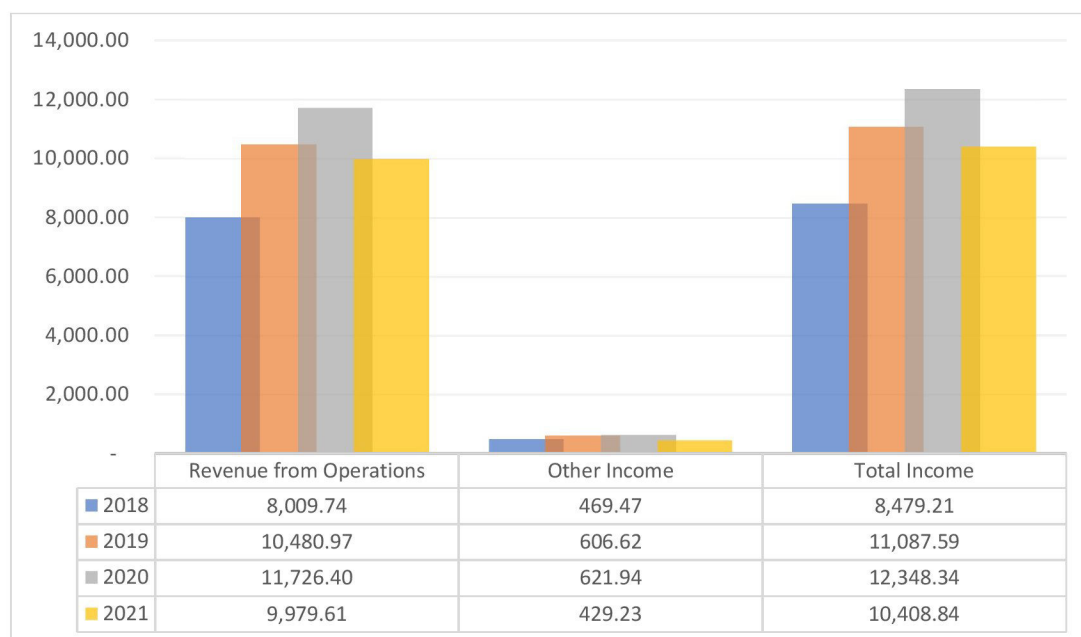


### Area of Operation & Employee Base( In No.)

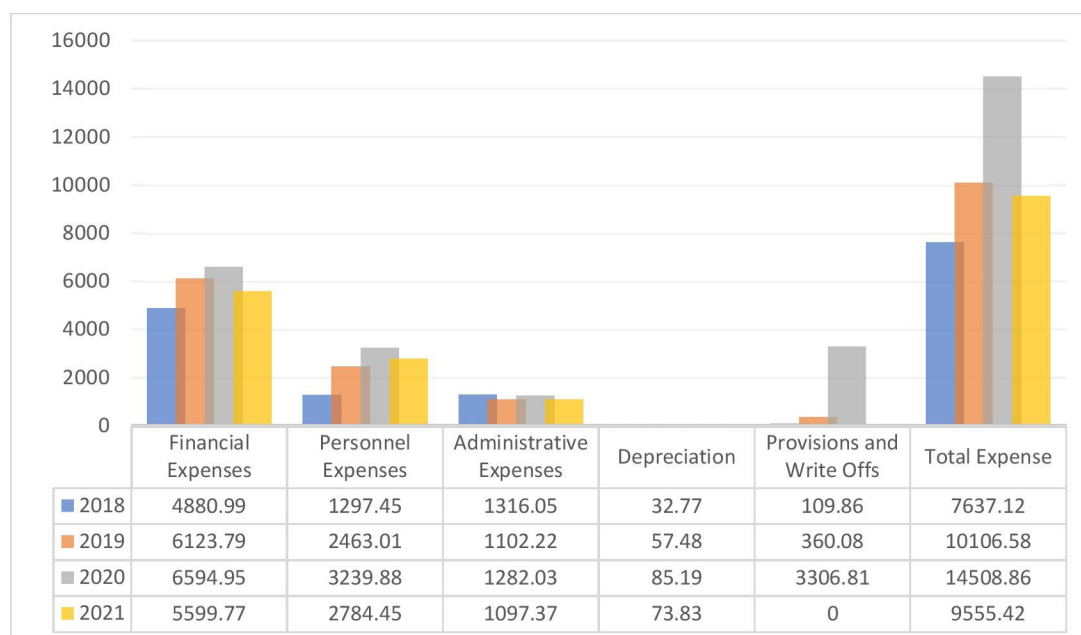


# FINANCIAL HIGHLIGHTS

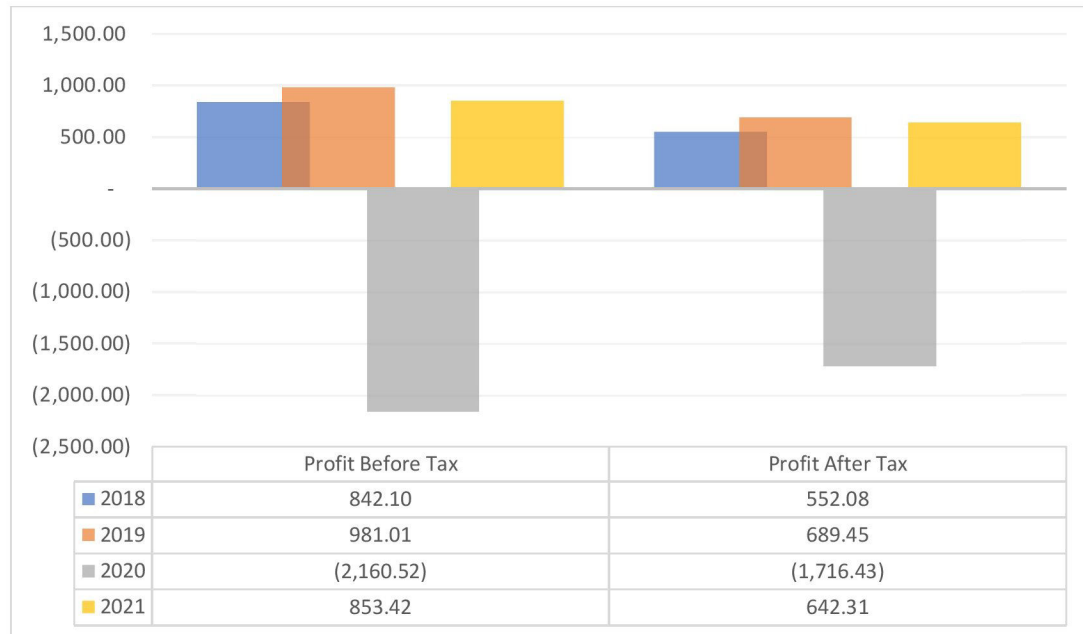
## Income(in Lakhs)



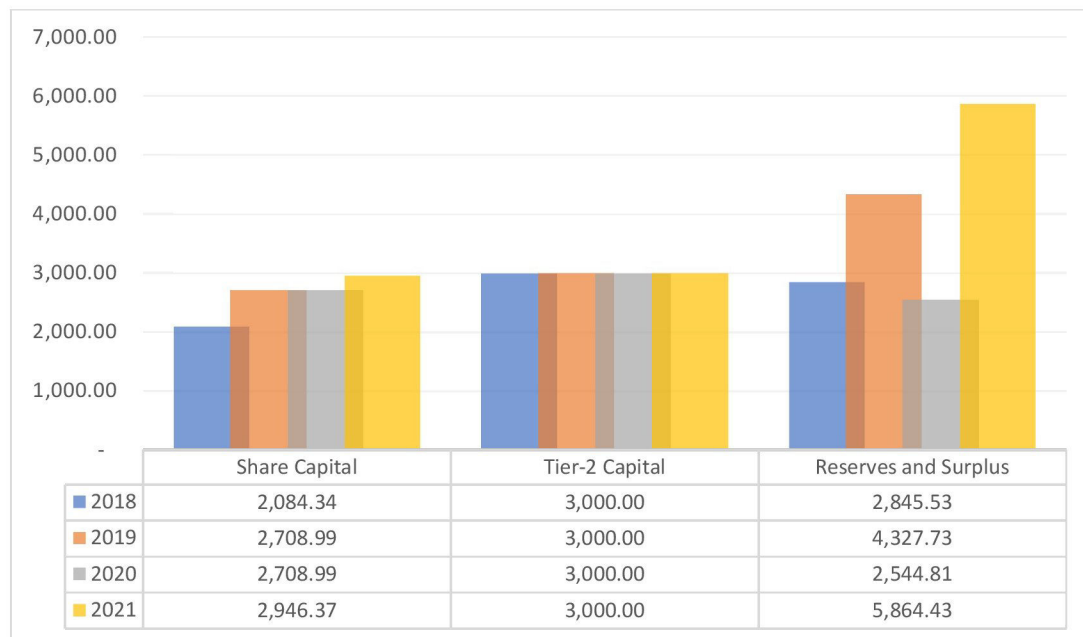
## Expenses(in Lakhs)



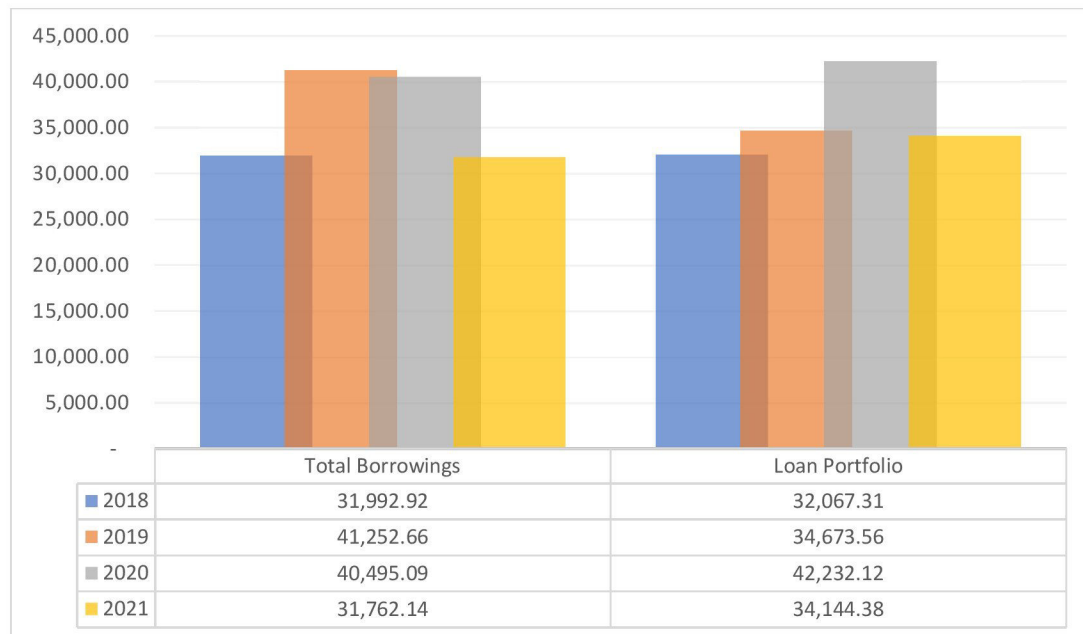
### Profits (In Lakhs)



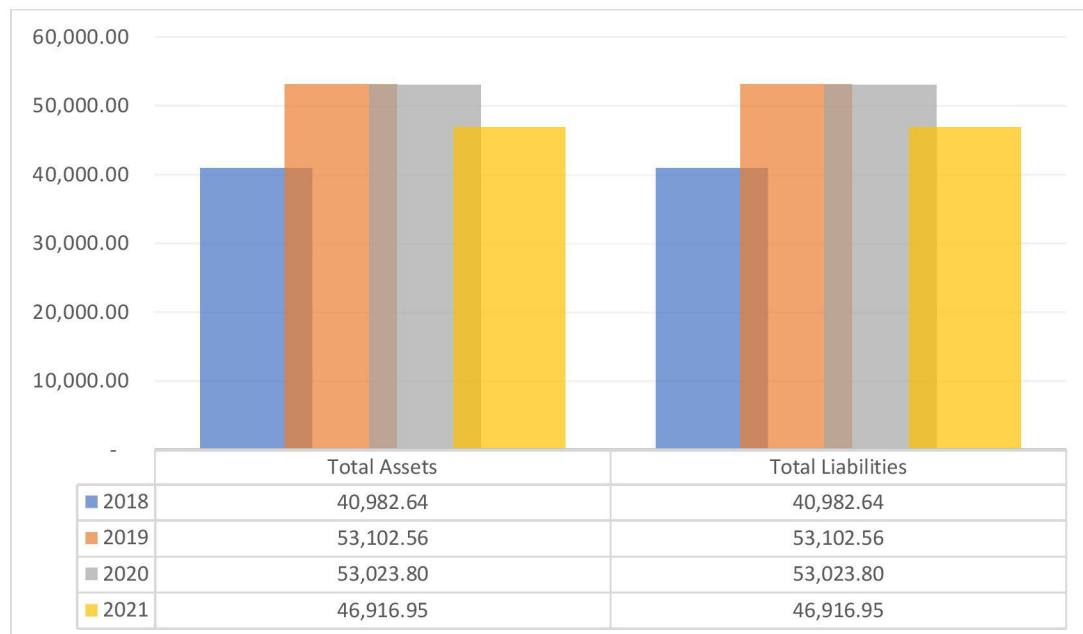
### Capital & Reserve (In Lakhs)



### Borrowings & Loan Portfolio (In Lakhs)



### Total Assets & Total Liability (In Lakhs)



# AUDITOR'S REPORT

## INDEPENDENT AUDITORS' REPORT

TO,

**THE MEMBERS OF VEDIKA CREDIT CAPITAL LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of **VEDIKA CREDIT CAPITAL LIMITED**, which comprise the Balance Sheet as at **31/03/2021**, the Statement of Profit and Loss, **the cash flow statement** for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Auditor's Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2021**, and its **Profit and it's cash flows** for the year ended on that date.

### Basis for Opinion

We conducted our audit 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to notes to the financial results which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

### Responsibility of Management and Those Charged with Governance (TCWG)

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility**

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 judgement and maintain professional scepticism 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matter**

Scope limitation due to COVID-19

Our Opinion expressed in the present report is based on the limited information, facts and inputs made available to us through electronic means by the management. We wish to highlight that due to the COVID-19 induced restrictions on physical movement and strict timelines, the audit team could not visit any branch for undertaking the required audit procedures.

### **Report on Other Legal and Regulatory Requirements**

**As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements 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, and **the cash flow statement** 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 Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on **31/03/2021** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2021** 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**".
- (g) 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 disclosed the impact of pending litigations on its financial position in its financial statements.
  - 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**FOR M/S N. K. KEJRIWAL & CO.**  
**(Chartered Accountants)**  
**Reg No. :04326C**

Sd/-

**NARESH KUMAR KEJRIWAL**  
**Partner**  
**M. No. : 073381**  
**UDIN : 21073381AAAABW4339**

Date : 31/05/2021  
Place: RANCHI



**“Annexure A” to the Independent Auditor’s Report of even date on the Standalone Financial**

**Statements of VEDIKA CREDIT CAPITAL LIMITED**

**Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31st March 2021**

**(i) In Respect of Fixed Assets**

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable Property. Thus paragraph 3(i)(c) of the Order is not applicable to the Company.

**(ii) In Respect of Inventories**

The Company is a non-banking finance company and does not hold any inventories.

**(iii) Compliance under section 189 of The Companies Act, 2013**

The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register-maintained u/s 189 of the companies Act-2013.

**(iv) Compliance under section 185 and 186 of The Companies Act, 2013**

The Company has not granted loans, made investments or provided guarantees under Section 185 of the Act and has Complied with the provisions of Section 186(1) of the Act. The Company being a NBFC, nothing contained in Section 186 is applicable, except sub section (1) of that section.

**(v) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed there under while accepting Deposits**

According to the information and explanations given to us, Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the Provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under apply. Accordingly, the provision of clause 3(v) of the Order is not applicable to the Company.

**(vi) Maintenance of cost records**

The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

**(vii) Deposit of Statutory Dues**

(a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.

S No.	Particulars of demand	Amount of Dispute	Relevant authority before whom the appeal is pending
1	Income Tax Demand arising out of regular assessment u/s 143(3) of the Income Tax Act,1961	INR 70,09,182/-	Commissioner of income Tax (Appeals) – 3, Kolkata

According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31 March 2021 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanation given to us, the following are the dues of income tax and/or GST which have not been deposited with the appropriate authorities on account of any dispute. The provisions relating to Sales tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess are not applicable to it.

**(viii) Repayment of Loans and Borrowings**

The company has not defaulted in repayment of loans or borrowings to financial institutions, banks during the year. There are no loans or borrowings from government.

**(ix) Utilization of Money Raised by Public Offers and Term Loan For which they Raised**

The company has not raised any money by way of initial public offer or further public offer {including debt instruments) and term loans. Hence this clause is not applicable.

**(x) Reporting of Fraud During the Year**

Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.

**(xi) Managerial Remuneration**

Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

**(xii) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio**

As per information and records available with us the company is not Nidhi Company. Thus, Paragraph 3(xii) of the Order is not applicable to the Company.

**(xiii) Related party compliance with Section 177 and 188 of companies Act - 2013**

All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

**(xiv) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures**

The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

**(xv) Compliance under section 192 of Companies Act – 2013**

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him.

**(xvi) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934**

The Company is required to be registered under section 45IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.

**FOR M/S N. K. KEJRIWAL & CO.  
(Chartered Accountants)  
Reg No. :04326C**

Sd/-

**NARESH KUMAR KEJRIWAL  
Partner  
M. No. : 073381  
UDIN : 21073381AAAABW4339**

Date : 31/05/2021  
Place: RANCHI

## **“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial**

### **Statements of VEDIKA CREDIT CAPITAL LIMITED.**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.**

We have audited the internal financial controls over financial reporting of VEDIKA CREDIT CAPITAL LIMITED as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 amount the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the