



**VEDIKA CREDIT CAPITAL LTD**

**PARTNER IN THE GROWTH OF MICRO ENTREPRENEURS**



# ANNUAL REPORT

**2015-16**



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**FROM MD DESK...**

**Enabling Women Micro Entrepreneurs** - The Union Government and Reserve Bank of India as a policy to uplift the poor, gives more thrust on micro financing and on Financial Inclusion.

**Vedika and its Expansion** - We are pioneered in the states of Jharkhand and Bihar and West Bengal by overcoming its teething problems.

Now we have substantially increases our branch network from **27 Branches** in **2014-15** to **44 Branches** in **2015-16**. Also added a new State of **U.P.** during the FY 2015-16 & operations are now spread over 4 states, namely **Jharkhand, west Bengal, Bihar & UP.**



**Financial Brief:** - Our Portfolio has increased from **Rs. 82.26 Crores** from F.Y.2014 - 15 to **Rs. 138.81 Crores**. F.Y. 2015-16.

The Net-Worth of the Company has also increased from **Rs. 16.96 Crores** in **2014-15** to **Rs. 26.97 Crores** in **2015-16**.

**Ratings:** - The Company has following External Ratings:  
MFI Grading: MF3+ from CARE as on 18<sup>th</sup> May, 2016.

Bank Loan Rating: BBB- (Triple B Minus) from Brickwork Ratings as on 29<sup>th</sup> July, 2016.



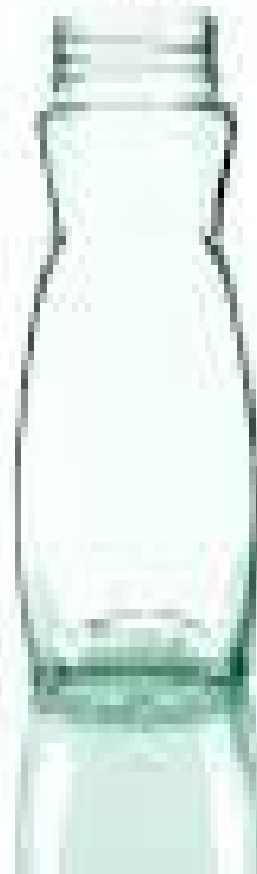
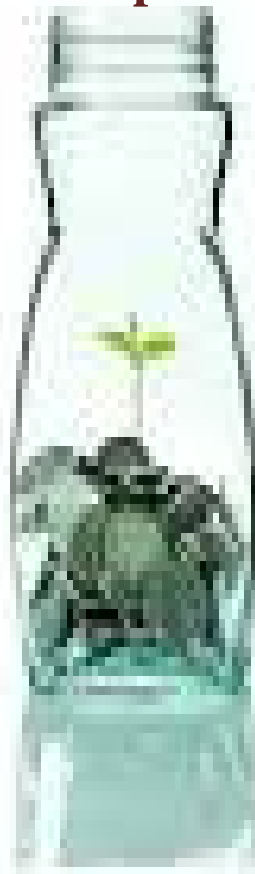
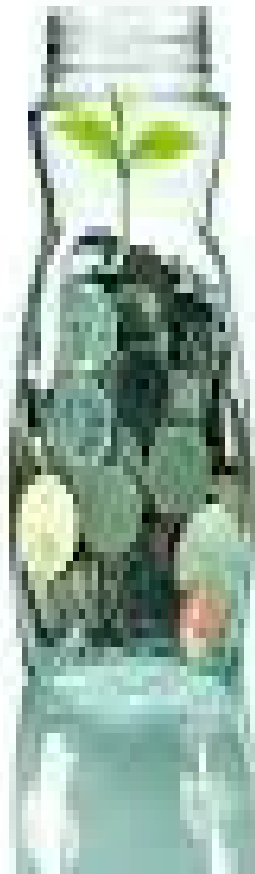
## Our Mission & Vision

### Mission

**"Partner in the Growth of Micro Entrepreneurs"**

### Vision

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



# Our Area of Operation

India



WEST BENGAL



JHARKHAND

BIHAR



UTTAR



PRADESH

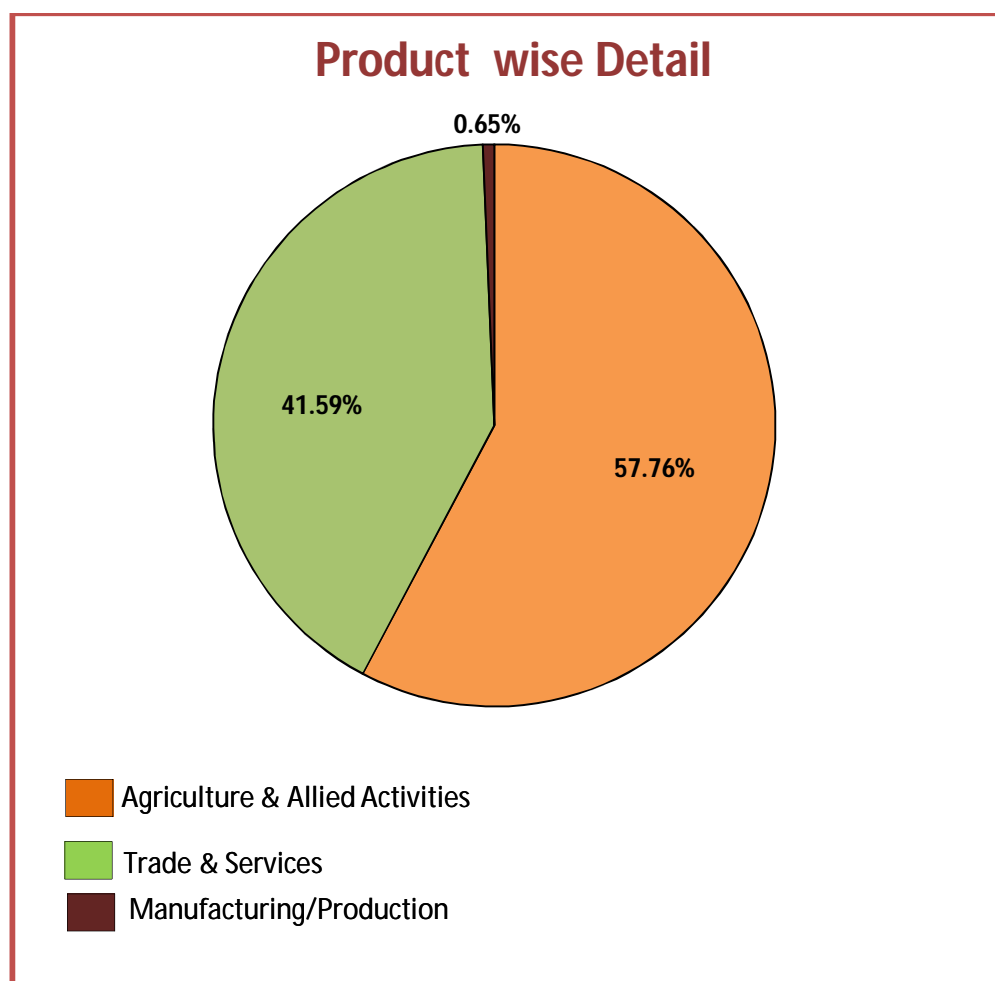
## List Of Branches: As on 31<sup>st</sup> March 2016

Sl. No.	Branch	State
1.	Kokar	Jharkhand
2.	Pandra	Jharkhand
3.	Ramgarh	Jharkhand
4.	Hazaribagh	Jharkhand
5.	Koderma	Jharkhand
6.	Giridih	Jharkhand
7.	Adityapur	Jharkhand
8.	Bokaro	Jharkhand
9.	Saraikela	Jharkhand
10.	Dhanbad	Jharkhand
11.	Chirkunda	Jharkhand
12.	Hatia	Jharkhand
13.	Jamshedpur	Jharkhand
14.	Hajipur	Bihar
15.	Kankarbagh	Bihar
16.	Gaya	Bihar
17.	Biharsharif	Bihar
18.	Harnaut	Bihar
19.	Rajiv Nagar	Bihar
20.	Fatua	Bihar
21.	Bakhatiarpur	Bihar
22.	Ara	Bihar
23.	Jehanabad	Bihar
24.	Phulwarisharif	Bihar
25.	Samastipur	Bihar
26.	Nawada	Bihar
27.	Bihta	Bihar
28.	Rajgir	Bihar
29.	Muzaffarpur	Bihar
30.	Buxar	Bihar
31.	Ekangar Sarai	Bihar
32.	Biradingi	West Bengal
33.	Barrackpore	West Bengal

34.	Halisahar	West Bengal
35.	Asansol	West Bengal
36.	Sonarpur	West Bengal
37.	Dunlop	West Bengal
38.	Tollygunj	West Bengal
39.	Burdwan	West Bengal
40.	Baguati	West Bengal
41.	Amtala	West Bengal
42.	Krishnanagar	West Bengal
43.	Memari	West Bengal
44.	Alambagh	Uttar Pradesh

## Products & Services

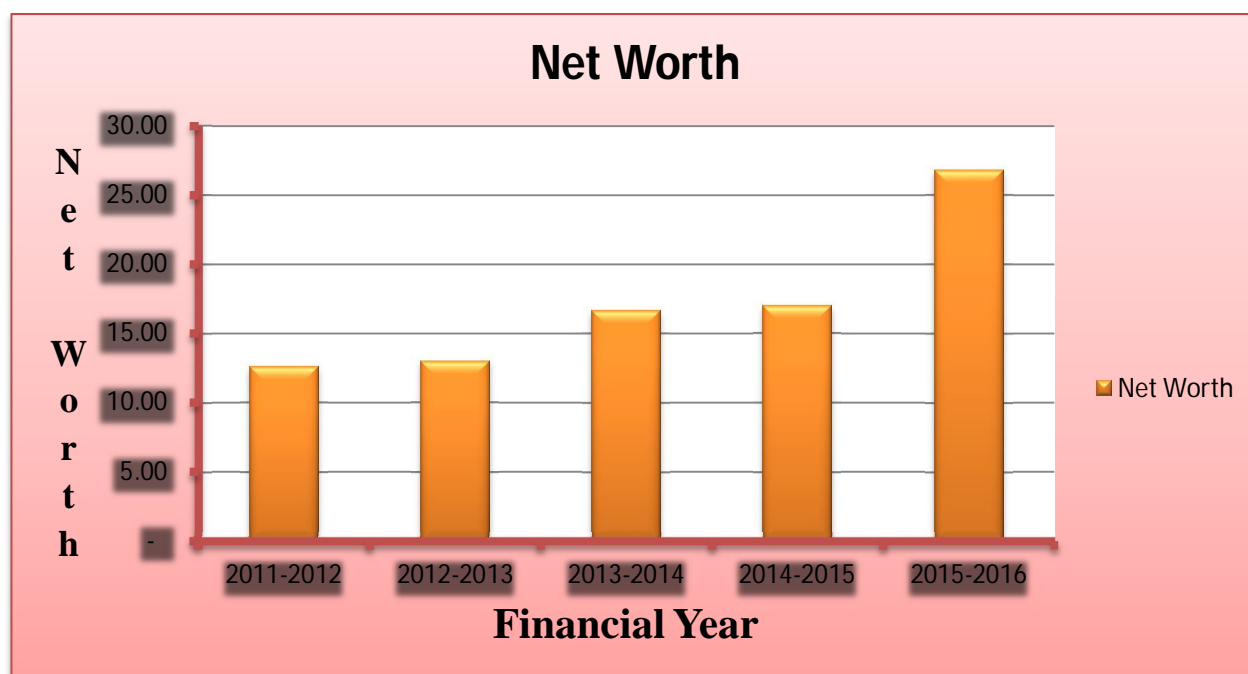
Purpose wise outstanding	No. of Borrower	Gross Loan outstanding (Rs. in Cr)	%
Agriculture & Allied Activities	33,515	80.75	57.76
Trade & Services	24,291	58.15	41.59
Manufacturing/Production	441	0.91	0.65
<b>TOTAL</b>	<b>58,247</b>	<b>139.81</b>	<b>100.00</b>

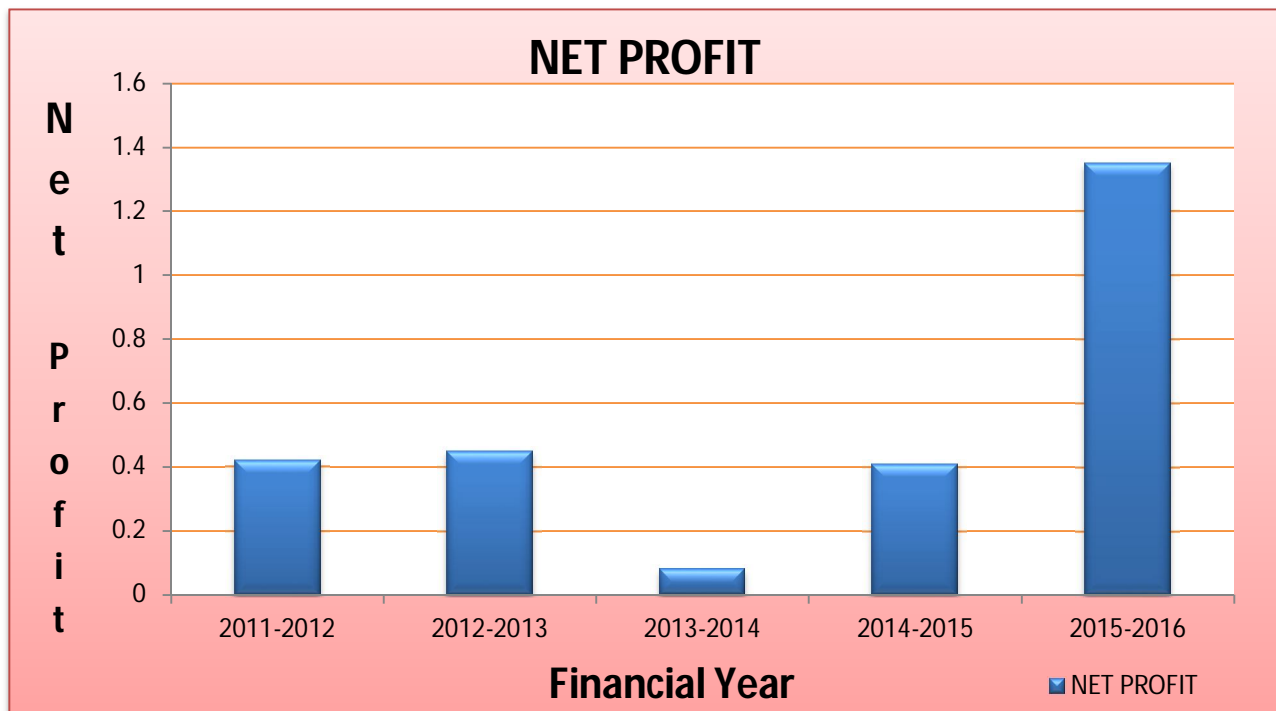
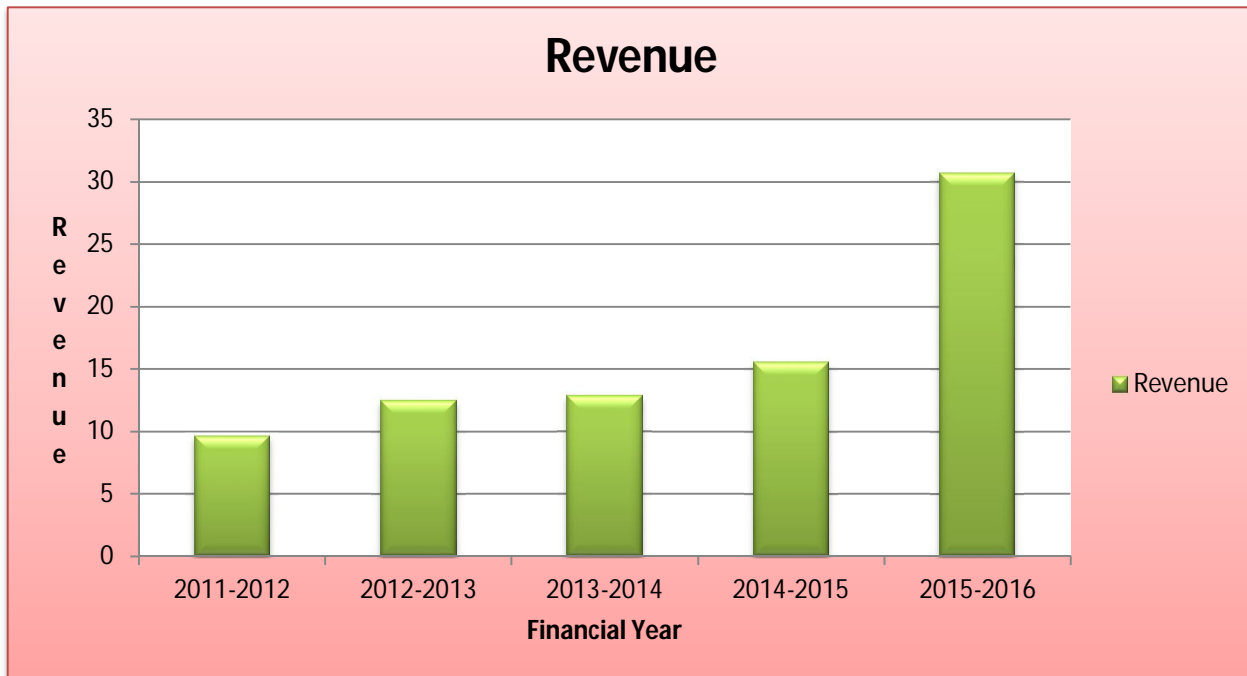




## Financial Highlights

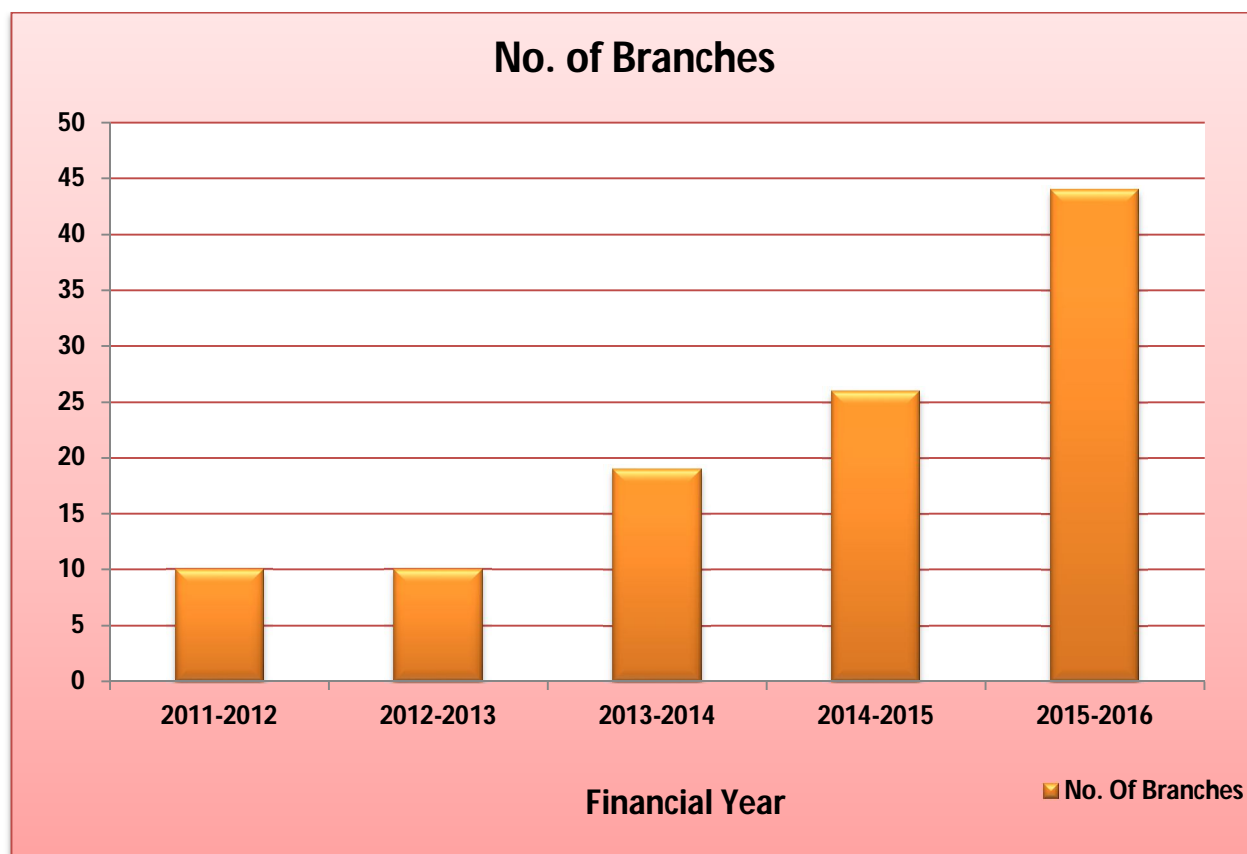
Particulars	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
<b>Net Worth (Rs in Cr)</b>	12.56	15.45	16.64	16.96	26.80
<b>Net Profits (Rs in Cr)</b>	0.42	0.45	0.08	0.41	1.35
<b>Total Revenue (Rs in Cr)</b>	9.62	12.46	12.83	15.57	30.68

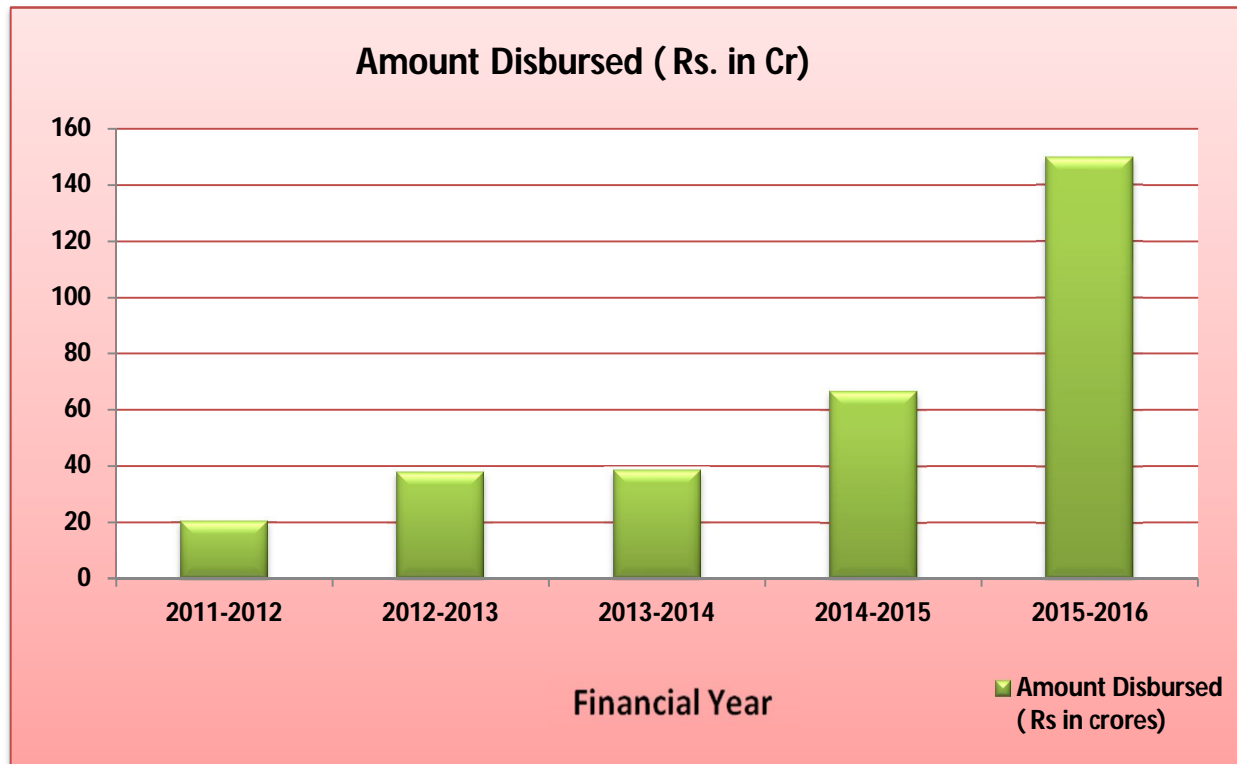




## Operational Highlights

FINANCIAL YEAR	NO. OF BRANCHES	AMOUNT DISBURSED (RS. IN CR)
2011-2012	10	20.31
2012-2013	10	37.67
2013-2014	19	38.3
2014-2015	26	66.49
2015-2016	44	149.76





## Directors Report

To  
The Members,  
M/s Vedika Credit Capital Ltd

Your Directors have pleasure in presenting the 22<sup>nd</sup> Annual Report of M/s Vedika Credit Capital Ltd on the business and operations and audited accounts for the Financial Year ended on 31<sup>st</sup> March, 2016 along with the figures for previous year.

### 1) Financial summary or highlights/Performance of the Company:

<i>Particulars</i>	<i>Current Year [2015-16]</i>	<i>Previous Year [2014-15]</i>
<b>Earnings before interest, tax and divided: (EBITD)</b>	<b>225,545,387.06</b>	<b>103,226,984.87</b>
<i>Less: Interest</i>	201,291,895.13	96,602,496.00
<i>Less: Depreciation</i>	1,480,473.51	710,231.49
<b>Profit Before Tax (PBT)</b>	<b>22,773,018.42</b>	<b>5,914,257.38</b>
<i>Less: Income Tax</i>	8,464,620.00	2,366,460.00
<i>Less: Deferred Tax</i>	798,556.24	(597,293.12)
<b>Profit After Tax (PAT)</b>	<b>13,509,842.18</b>	<b>4,145,090.49</b>

### 2) Dividend:

The Directors of the Company has decided to conserve and retain the entire profits of the Company for its future growth keeping in view the various

expansion programmes and upcoming projects. However the Company has distributed **Rs. 8, 67,489.04** (Rupees Eight Lakhs Sixty Seven Thousand Four Hundred and Eighty Nine and Four Paise only) as dividend to its Preference Shareholders as per the agreed terms & conditions as declared at the time of issue.

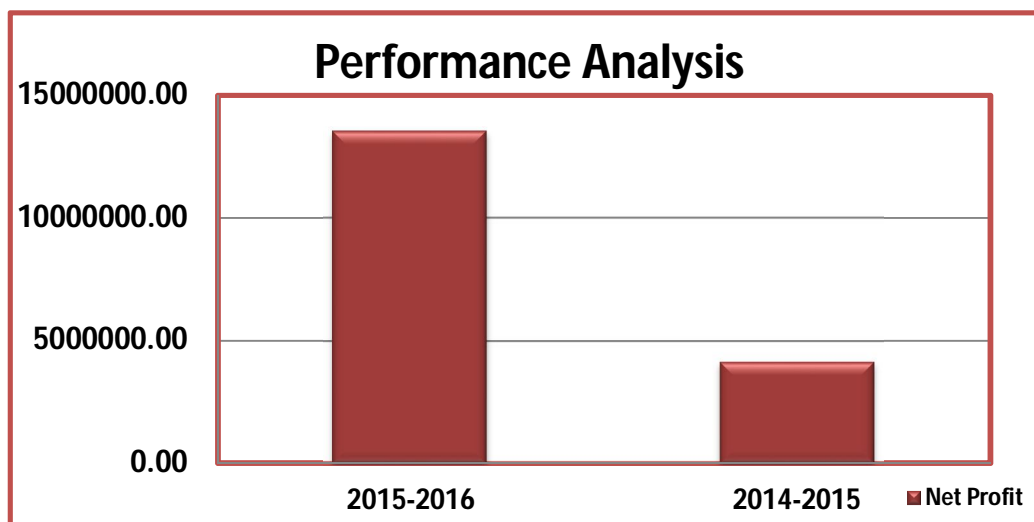
**3) Reserves:**

During the year under review, your company has transferred **Rs. 2,701,968.44** (Rupees Twenty Seven Lakhs One Thousand Nine Hundred Sixty Eight & Forty Four Paise) to Statutory Reserves. **Rs. 2, 90, 79,122.40** transferred to Reserves& Surplus.

**4) Brief description of the Company's working during the year/State of Company's affair:**

During the year under review, the Company has recorded a tremendous growth in its performance both in terms of its turnover and profitability as compared with that of the previous year. The Turnover and Profitability of the Company has been presented below in comparative manner both in tabular format and graphically.

<i>Particulars</i>	<i>F.Y. 2015-16</i>	<i>F.Y. 2014-15</i>	<i>% Growth</i>
<i>Turnover (in Rs.)</i>	<i>3,06,844,273.61</i>	<i>1,55,723,966.00</i>	<i>97.04%</i>
<i>Profitability (in Rs.)</i>	<i>1,35,09,842.18</i>	<i>4,145,090.49</i>	<i>225.92%</i>



**5) Change in nature of business, if any:**

There are no changes in nature of business and operations of the Company in this year.

**6) Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:**

No material changes occurred and commitments has been made subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report like settlement of tax liabilities, operation of patent rights, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc.

**7) Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

No such significant and material orders were passed during the year, which could impact the going concern status or operations of the Company in future.

**8) Details of Subsidiary/Joint Ventures/Associate Companies:**

The Company does not have any subsidiaries, Associates or Joint Ventures.

**9) Deposits:**

Your company has not accepted any deposits during the year.

**10) Statutory Auditors:**

M/s K.C. Tak & Co., Chartered Accountants, Ranchi; was appointed as a Statutory Auditors of the Company at the 20<sup>th</sup> Annual General Meeting of the Company dated 29<sup>th</sup> September, 2014. The continuance of appointment of Auditor and payment of remuneration to them are to be ratified,

confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

**11) Auditors Report:**

Auditor has given unmodified report for the year to which financial statements relates.

**12) Share Capital:**

Company has not issued equity shares and made provisions for purchase of own shares by employees for the financial year to which financial statements relates.

**13) Extract of the Annual Return:**

The extract of the Annual Return in **Form MGT - 9** has been attached to board's report as "**Annexure-I**".

**14) Disclosure Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complain during the year 2014-15.

**15) Conservation of energy, technology absorption and foreign exchange earnings and outgo:**

The details are as follows:



**A) Conservation of energy:**

Since the Company is not consuming any significant amount of energy and as no special measures are required for monitoring the same. However, directors have ensured sufficient arrangements for power savings & energy conservation.

**(B) Technology absorption:**

The Directors of the Company take sufficient measures to keep updated with the latest technologies. However, since the Company is not engaged in manufacturing sector, no special measures for technology absorption are required. The company has not incurred expenditure on Research and Development activities during the year.

**(C) Foreign exchange earnings and Outgo:**

The company has no earnings or expenditures in foreign currency.

**16) Changes in Directors and Key Managerial Personnel:**

The Changes in Directors and Key Managerial Personnel of the Company are as follows:

1. Mr. Gaurav Kumar Vohra was appointed as the Company Secretary of the Company *w.e.f.* 30<sup>th</sup> July, 2015.
2. Mr. Abhishek Agarwal was appointed as the CFO of the Company *w.e.f.* 31<sup>st</sup> March, 2016.
3. Mr. Prawin Kumar Charturvedi was regularized as a Professional Director *w.e.f.* 29<sup>th</sup> September, 2016

**17) Number of meetings of the Board of Directors:**

The Board meets at the regular interval to discuss and decide the Company/ business policy & strategy apart from other board business. The Notices of Board/ Committee Meeting are given well in advance to all the directors along with the agenda papers so as to enable them to take the informed decision. The Board met forty-nine times during the year reported hereunder and the dates of the forty-nine meetings are as below: -

04.04.2015	18.04.2015	20.04.2015	27.04.2015	11.05.2015	22.05.2015
26.05.2015	30.05.2015	06.06.2015	09.06.2015	15.06.2015	17.06.2015
24.06.2015	25.06.2015	28.06.2015	30.06.2015	14.07.2015	24.07.2015
30.07.2015	31.07.2015	03.08.2015	14.08.2015	17.08.2015	21.08.2015
05.09.2015	28.09.2015	29.09.2015	03.10.2015	09.10.2015	10.10.2015
16.10.2015	02.11.2015	04.11.2015	09.11.2015	20.11.2015	12.12.2015
23.12.2015	05.01.2016	06.01.2016	19.01.2016	22.01.2016	29.01.2016
19.02.2016	22.02.2016	24.02.2016	29.02.2016	14.03.2016	29.03.2016
31.03.2016					

The Attendance at the Board Meeting and the last Annual General Meeting was as under: -

<b>S. N.</b>	<b>Name of the Directors</b>	<b>No. of Meeting held During the tenure</b>	<b>Attendance at Board Meetings</b>	<b>Attendance at P.Y A.G.M.</b>
1.	Mr. Gautam Jain	49	49	Yes
2.	Mr. Vikram Jain	49	49	Yes
3.	Mr. Ummedmal Jain	49	49	Yes
4.	Mr. Pravin Kumar Chaturvedi	34	34	Yes

**18) Establishment of Vigil Mechanism:**

The Board has constituted a vigil mechanism policy for directors and employees to report their genuine concerns or grievances. The same is monitored under the supervision of Mr. Vikram Jain, Director of the Company; and proper measures have been ensured to provide adequate safeguards against the victimization of employees and directors who avail of the vigil mechanism.

**19) Particulars of loans, guarantees or investments under Section 186:**

The Company has not given loans or guarantee and also not made any investment which comes under the purview of Section 186 of Companies Act, 2013.

**20) Particulars of contracts or arrangements with related parties:**

The Company has entered into certain arrangements/ transactions with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013. The details of such transactions are annexed to the Report in **Form No. AOC-2** as **"Annexure-II"**.

**21) Changes in Share Capital:**

The Company has issued 11, 14,800 Equity Shares during the year, on private placement basis. The details of changes in Share Capital are annexed to the Report as **"Annexure-III"**.

**22) Managerial Remuneration:**

No employees of the company are covered under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The remuneration paid to Directors during the period is tabulated in Form MGT-9 annexed to the Report. No director of the Company is in receipt of any commission from the company and the company does not have any Holding and / or Subsidiary Company.

**23) Risk management policy:**

Directors are serious for risk management of Company including identification of risk, which may be a threat for existence of the company. No proper policy has been developed till now for risk management.

**24) Directors' Responsibility Statement as required under clause (c) of Section 134(3) of the Companies Act, 2013:**

The Directors' of the Company confirms that:

- a) in the preparation of the annual accounts, 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 a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate 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 on a going concern basis; and
- 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.

**25) Acknowledgements:**

We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support. We also thank to our customers who placed reliance upon our product and services.

For and on behalf of **Board of Directors**

**Sd/-**

(GAUTAM JAIN)  
**Managing Director**  
**DIN: 00367524**

**Sd/-**

(VIKRAM JAIN)  
**Director**  
**DIN: 00367570**

Place: Ranchi  
Date: 25.7.2016

## ANNEXURE-I

## FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

As on Financial Year ended on 31.03.2015

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

## I. REGISTRATION &amp; OTHER DETAILS:

1.	CIN	U67120WB1995PLC069424
2.	Registration Date	15/03/1995
3.	Name of the Company	VEDIKA CREDIT CAPITAL LTD
4.	Category/Sub-category of the Company	Public Company Limited by Shares
5.	Address of the Registered office & contact details	20, Mullick Street, 2 <sup>nd</sup> Floor, Kolkata, West Bengal – 700007
6.	Whether listed company	NO
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

## I. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S.N.	Name and Description of main products / services	NIC Code of the Product/ Service	% to total turnover of the company
1	Financial Service Activities	6492	100%

## PARTICULAR OF HOLDING, SUBSIDIARY AND ASSOCIATES COMPANIES

S.N	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
	NIL	-	-	-	-

## II. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1) Indian</b>									
a) Individual/ HUF	—	7,034,500	7,034,500	72.14	—	6,169,300	6,169,300	75.70	3.56%
b) Central Govt.	—	—	—	—	—	—	—	—	—
c) State Govt.(s)	—	—	—	—	—	—	—	—	—
d) Bodies Corp.	—	1,100,000	1,100,000	15.64	—	1,100,000	1,100,000	13.49	2.15%
e) Banks / FI	—	—	—	—	—	—	—	—	—
f) Any other	—	—	—	—	—	—	—	—	—
<b>Sub-total(A)(1):-</b>	—	<b>6,174,500</b>	<b>6,174,500</b>	<b>87.78</b>	—	<b>7,269,300</b>	<b>7,269,300</b>	<b>89.19</b>	<b>1.41%</b>
<b>2) Foreign</b>									
a) NRIs – Individuals	—	—	—	—	—	—	—	—	—
b) Other – Individuals	—	—	—	—	—	—	—	—	—

c) Bodies Corp.	—	—	—	—	—	—	—	—	—
d) Banks / FIs	—	—	—	—	—	—	—	—	—
e) Any Other	—	—	—	—	—	—	—	—	—
<b>Sub-total</b> <b>(A)(2):-</b>	—	—	—	—	—	—	—	—	—
<b>Total</b> <b>shareholding of</b> <b>Promoters (A) =</b> <b>(A)(1) + (A)(2)</b>	—	<b>6,174,500</b>	<b>6,174,500</b>	<b>87.78</b>	—	<b>7,269,300</b>	<b>7,269,300</b>	<b>89.19</b>	<b>1.41%</b>
<b>B. Public/ Non-</b> <b>promoter</b> <b>Shareholding</b>									
<b>1) Institutions</b>									
a) Mutual Funds	—	—	—	—	—	—	—	—	—
b) Banks / FI	—	—	—	—	—	—	—	—	—
c) Central Govt	—	—	—	—	—	—	—	—	—
d) State Govt(s)	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—
g) FIIs	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Others	—	—	—	—	—	—	—	—	—
<b>Sub-Total</b> <b>(B)(1):-</b>	—	—	—	—	—	—	—	—	—
<b>2) Non-</b> <b>Institutions</b>									



a) Bodies Corp.									
i. Indian	—	860,000	860,000	12.22	—	880,000	880,000	10.81	1.41%
ii. Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i. Individual shareholders holding nominal share capital up-to Rs. 1 lakh	—	—	—	—	—	—	—	—	—
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	—	—	—	—	—	—	—	—	—
c) Others (specify)	—	—	—	—	—	—	—	—	—
<b>Sub-Total (B)(2):-</b>	—	<b>860,000</b>	<b>860,000</b>	<b>12.22</b>	—	<b>880,000</b>	<b>880,000</b>	<b>10.81</b>	<b>1.41%</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	—	<b>860,000</b>	<b>860,000</b>	<b>12.22</b>	—	<b>880,000</b>	<b>880,000</b>	<b>10.81</b>	<b>1.41%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	—	—	—	—	—	—	—	—	—
<b>Grand Total (A+B+C)</b>	—	<b>7,034,500</b>	<b>7,034,500</b>	<b>100</b>	—	<b>8,149,300</b>	<b>8,149,300</b>	<b>100</b>	<b>No Change</b>

## ii. Shareholding of Promoters-

S.N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered	No. of Shares	% of total Shares of the company	%of Shares Pledged /encumbered	
1.	Mr. Gautam Jain	12,43,550	17.68%	—	18,09,550	22.20%	—	4.53%
2.	Mr. Vikram Jain	11,88,600	16.90%	—	12,14,600	14.90%	—	(1.99)%
3.	Mr. Ummedmal Jain	7,88,550	11.21%	—	8,81,350	10.82%	—	(0.39)%
4.	Mrs. Anita Jain	4,03,550	5.74%	—	4,43,550	5.44%	—	(0.29)%
5.	Mrs. Vinita Jain	4,51,200	6.41%	—	6,31,200	7.75%	—	1.33%
6.	Mrs. Kanta Devi Jain	7,51,050	10.68%	—	9,41,050	11.55%	—	0.87%
7.	M/s Vikram Jain HUF	63,500	0.90%	—	63,500	0.78%	—	(0.12)%
8.	M/s Gautam Jain HUF	60,950	0.87%	—	60,950	0.75%	—	(0.12)%
9.	M/s Ummedmal Jain HUF	1,23,550	1.76%	—	1,23,550	1.52%	—	(0.24)%
10.	M/s Link Line Marketing Private Limited	2,25,000	3.20%	—	2,25,000	2.76%	—	(0.44)%
11.	M/s Jatinder Finance Private Limited	3,45,000	4.90%	—	3,45,000	4.23%	—	(0.67)%
12.	M/s Vedika IT Solution Private Limited	2,25,000	3.20%	—	2,25,000	2.76%	—	(0.44)%
13.	M/s D.P.S. Computers & Allied Products Private Limited	2,25,000	3.20%	—	2,25,000	2.76%	—	(0.44)%
14.	Vedika Agro Mart Private Limited	80,000	1.14%	—	80,000	0.98%	—	(0.16)%
	<b>TOTAL</b>	<b>61,74,500</b>	<b>87.77%</b>	<b>—</b>	<b>72,69,300</b>	<b>89.20%</b>	<b>—</b>	<b>1.43%</b>

- iii) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

S. N.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	At the beginning of the year	8,60,000	12.23%	—	—
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Allotment to Mr. Siddharth Jain, dated 19 <sup>th</sup> February, 2016		20,000	0.25%
3.	At the end of the year	—	—	8,80,000	10.80%

- iv) Shareholding of Directors and Key Managerial Personnel:

S. N.	Name of the Director	Shareholding at the beginning of the year		Date wise Increase / Decrease in Directors Shareholding during the year	Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company		No. of Shares	% of total Shares of the Company
1.	Mr. Gautam Jain	1,243,550	17.68%	—	18,09,550	22.20%
2.	Mr. Vikram Jain	1,188,600	16.90%	—	12,14,600	14.90%
3.	Mr. Ummedmal Jain	788,550	11.21%	—	8,81,350	10.82%
4.	Mr. Pravin Kumar Chaturvedi	—	—	—	—	—
5.	Mr. Gaurav Kumar Vohra	—	—	—	—	—
7.	Mr. Abhishek Agarwal	—	—	—	—	—
<b>TOTAL</b>		<b>3,220,700</b>	<b>45.78%</b>	<b>—</b>	<b>3,905,500</b>	<b>47.92%</b>

**I. INDEBTEDNESS**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	383,868,635.07	463,370,396.00	—	847,239,031.07
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
<b>Total (i+ii+iii)</b>	<b>383,868,635.07</b>	<b>463,370,396.00</b>	—	<b>847,239,031.07</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	677,350,640.57	25,850,393.32	—	703,201,033.89
* Reduction	—	—	—	—
<b>Net Change</b>	<b>677,350,640.57</b>	<b>25,850,393.32</b>	—	<b>703,201,033.89</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1,061,219,275.64	437,520,002.68	—	1,498,739,278.32
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
<b>Total (i+ii+iii)</b>	<b>1,061,219,275.64</b>	<b>437,520,002.68</b>	—	<b>1,498,739,278.32</b>

**I. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S. N.	Particulars of Remuneration	Name of Directors		Total Amount
		Vikram Jain	Ummed Mal Jain	
	Gross salary			
1.	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,72,000	4,80,000	1,152,000
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission - as % of profit - others, specify...	—	—	—
5.	Others, Please Specify (CMPF Employers' Contribution)	—	—	—
	Total (A)	6,72,000	4,80,000	11,52,000

## B. Remuneration to other directors

S.N.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors	—	—
	Fee for attending board meetings	—	—
	Commission	—	—
	Others, please specify (Committee Meetings)	—	—
	<b>Total (1)</b>	—	—
2.	Other Non-Executive Directors	—	—
	Fee for attending board committee meetings	—	—
	Commission	—	—
	Others, please specify	—	—
	<b>Total (2)</b>	—	—
	<b>Total (B)=(1+2)</b>	—	—
	Total Managerial Remuneration	—	—

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S.N.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1.	Gross salary:	—	—	—	—
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	—	—	—
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—	—
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission - as % of profit others, specify	—	—	—	—
5.	Others, please specify (CMPF Employers' Contribution)	—	—	—	—
	<b>Total</b>	—	—	—	—

**I. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	NIL	—	—	—	—
Punishment	NIL	—	—	—	—
Compounding	NIL	—	—	—	—
<b>B. DIRECTORS</b>					
Penalty	NIL	—	—	—	—
Punishment	NIL	—	—	—	—
Compounding	NIL	—	—	—	—
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	—	—	—	—
Punishment	NIL	—	—	—	—
Compounding	NIL	—	—	—	—

For **Satish Kumar & Associates**

Sd/-

(SATISH KUMAR)

M. No.:

C.P. No.:

For **Vedika Credit Capital Ltd**

Sd/-

(GAUTAM JAIN)

Managing Director

DIN: 00367524

Sd/-

(VIKRAM JAIN)

Director

DIN: 00367570



## ANNEXURE-II

**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:

S. N.	Particulars	Details
1.	Name(s) of the related party and nature of relationship	—
2.	Nature of contracts/ arrangements/ transactions	—
3.	Duration of the contracts/ arrangements/ transactions	—
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	—
5.	Justification for entering into such contracts or arrangements or transactions	—
6.	Date(s) of approval by the Board	—
7.	Amount paid as advances, if any	—
8.	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 arrangements or transactions at arm's length basis:

S. N.	Particulars	Details			
1.	Name(s) of the related party	Kanta Devi Jain	Vinita Jain	Anita Jain	Jatinder Finance Private Limited
2.	Nature of relationship	Wife of Mr. Ummed Mal Jain, Director	Wife of Mr. Vikram Jain, Director	Wife of Mr. Gautam Jain, Director	Common Directors
3.	Nature of contracts/ arrangements/ transactions	Rent paid	Salary	Salary	Unsecured Loan granted
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	2,50,000	3,00,000	3,00,000	33,289,962
5.	Date(s) of approval by the Board	4 <sup>th</sup> April, 2015	4 <sup>th</sup> April, 2015	4 <sup>th</sup> April, 2015	4 <sup>th</sup> April, 2015
6.	Amount paid as advances, if any	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors

Sd/-

(GAUTAM JAIN)  
**Managing Director**  
**DIN: 00367524**

Sd/-

(VIKRAM JAIN)  
**Director**  
**DIN: 00367570**

## ANNEXURE-III

CHANGES IN SHARE CAPITAL

S. N.	Names of Allottees	Shareholding at the beginning	Shareholding at the end	Change in Shareholding
1.	Mr. Gautam Jain	1,243,550	1,809,550	566,000
2.	Mr. Vikram Jain	1,188,600	1,214,600	26,000
3.	Mr. Ummedmal Jain	788,550	881,350	92,800
4.	Mrs. Anita Jain	403,550	443,550	40,000
5.	Mrs. Vinita Jain	451,200	631,200	180,000
6.	Mrs. Kanta Devi Jain	751,050	941,050	190,000
7.	Mr. Siddharth Jain	0	20,000	20,000

# AUDITOR'S REPORT

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
VEDIKA CREDIT CAPITAL LTD

### Report on the Financial Statements

We have audited the accompanying financial statements of **M/S VEDIKA CREDIT CAPITAL LTD**, which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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.

### **Opinion**

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 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 March 31, 2016, and its Profit/Loss and its Cash Flow for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
  
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 purpose 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 (Standalone) 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 written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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 does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of

**K C TAK & CO.**

Chartered Accountants

Firm's registration number: **000216C**

**Sd/-**

**K.C.TAK**

Partner

Membership number: **08991**

Place: Kolkata

Date:20.06.2016

## Balance Sheet as on 31<sup>st</sup> March, 2016

<b>VEDIKA CREDIT CAPITAL LIMITED</b>			
<b>Balance Sheet as at 31<sup>st</sup> March, 2016</b>			
<b>Particulars</b>	<b>Note No.</b>	<b>As at 31<sup>st</sup> March, 2016</b>	<b>As at 31<sup>st</sup> March, 2015</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
Share Capital	<b>3</b>	139,643,000.00	70,345,000.00
Reserves and Surplus	<b>4</b>	128,378,985.18	99,299,862.78
		<b>268,021,985.18</b>	<b>169,644,862.78</b>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	<b>5</b>	761,604,729.45	383,868,635.07
Deferred Tax Liability		-	-
Other Long-Term Liabilities			
Long-Term Provisions			
		<b>761,604,729.45</b>	<b>383,868,635.07</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	<b>6</b>	737,134,548.87	463,370,396.00
Trade Payables		-	-
Other Current Liabilities	<b>7</b>	2,364,009.80	1,846,897.80
Short-Term Provisions	<b>8</b>	22,689,613.91	10,776,369.40
		<b>762,188,172.58</b>	<b>475,993,663.20</b>
<b>TOTAL</b>		<b>1,791,814,887.21</b>	<b>1,029,507,161.05</b>



<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	<b>9.1</b>	7,398,658.47	4,039,978.05
Intangible Assets	<b>9.2</b>	767,371.85	636,642.43
Capital Work In Progress			
		8,166,030.32	4,676,620.48
Non-Current Investment		-	-
Deferred Tax Assets	<b>10</b>	(339,312.69)	459,243.55
Long-Term Loans and Advances	<b>11</b>	627,654,062.00	484,002,573.00
Other Non-Current Assets			-
		<b>635,480,779.63</b>	<b>489,138,437.03</b>
<b>CURRENT ASSETS</b>			
Current Investments	<b>12</b>	1,033,530.61	485,890.00
Cash and Cash Equivalents	<b>13</b>	387,132,119.21	200,871,127.26
Short-Term Loans Advances	<b>14</b>	767,902,528.76	338,940,739.76
Other Current Assets	<b>15</b>	265,929.00	70,967.00
		<b>1,156,334,107.58</b>	<b>540,368,724.02</b>
<b>TOTAL</b>		<b>1,791,814,887.21</b>	<b>1,029,507,161.05</b>

**Notes 1-32 form an integral part of the Financial Statements**

**In terms of our report attached  
For K.C.Tak & Co.**

For and on behalf of the  
**Board of Directors**

**Sd/-**  
**Gautam Jain**  
Director

**Sd/-**

**K.C.Tak**

**Sd/-**  
**Vikram Jain**  
Director

Partner

Place: Ranchi  
Date: 20.06.2016

**Sd/-**  
**Gaurav Kumar Vohra**  
Company Secretary

## Statement of Profit & Loss for the year ended 31st March, 2016

<b>VEDIKA CREDIT CAPITAL LIMITED</b>			
<b>Statement of Profit and Loss for the Year Ended 31<sup>st</sup> March, 2016</b>			
<b>Particulars</b>	<b>Note No</b>	<b>Year Ended 31<sup>st</sup> March, 2016</b>	<b>Year Ended 31<sup>st</sup> March, 2015</b>
<b>REVENUE</b>			
Revenue from Operations	<b>16</b>	299,870,285.00	155,722,716.00
Other Income	<b>17</b>	6,973,988.61	1,250.00
		<b>306,844,273.61</b>	<b>155,723,966.00</b>
<b>EXPENSES</b>			
Employee Benefits Expenses	<b>18</b>	40,835,650.00	30,615,811.00
Finance Costs	<b>19</b>	201,291,895.13	96,602,496.00
Provisions and Write Offs	<b>20</b>	5,686,630.73	2,683,360.11
Depreciation and Amortization Expense	<b>21</b>	1,480,473.51	710231.49
Other Expenses	<b>22</b>	34,776,605.82	19,197,810.02
		<b>284,071,255.19</b>	<b>149,809,708.62</b>
<b>Profit Before Tax</b>		<b>22,773,018.42</b>	<b>5,914,257.38</b>
<b>Tax Expense</b>			

Current Tax		8,464,620.00	2,366,460.00
Deferred Tax	<b>10</b>	798,556.24	(597,293.12)
Net Tax Expense		9,263,176.24	1,769,166.88
<b>Profit After Tax for the year</b>		<b>13,509,842.18</b>	<b>4,145,090.49</b>
Earnings Per Equity Share. Face Value - Rs.10 each	<b>25</b>		
- Basic		1.91	0.59
- Diluted		1.69	
Notes 1-32 form an integral part of the Financial Statements			
In Terms of our report attached			
For K.C. Tak & Co. Directors		For and on Behalf of Board of	
<b>Sd/-</b>	<b>Sd/-</b>	<b>Sd/-</b>	<b>Sd/-</b>
Partner <b>K.C. Tak</b>	Director <b>Vikram Jain</b>	Director <b>Gautam Jain</b>	Company Secretary <b>Gaurav Kumar Vohra</b>
Place: Kolkata Date: 20.06.2016			

## Cash Flow Statements for the Year ended 31<sup>st</sup> March, 2016

<b>VEDIKA CREDIT CAPITAL LIMITED</b>		
<b>Cash Flow Statement for the Year Ended 31<sup>st</sup> March, 2016</b>		
<b>Particulars</b>	<b>For The Year Ended 31<sup>st</sup> March, 2016</b>	<b>For The Year Ended 31<sup>st</sup> March, 2015</b>
<b>A. Cash Flow From Operating Activities</b>		
Profit Before Interest & Tax	<b>224,064,913.55</b>	102,516,753.38
Depreciation and Amortization Expense	<b>1,480,473.51</b>	710,231.49
Contingent Provision For Standard Receivables		
Provision For Sub-Standard and Doubtful Receivables under Financing Activities (Net )		
Provision For Credit Enhancements on Assets De-Recognized (Net )		
Loss Assets Written Off (Net )		
Prompt Payment Rebate (Net )		
Provision For Doubtful Employee Loans/Insurance Claim (Net )		
Finance Costs	<b>(201,291,895.13)</b>	(96,602,496.00)
Interest Income On Deposits With Banks / Others	<b>(15,995,156.80)</b>	(12,502,933.00)
Dividend Income	<b>(1,539,350.54)</b>	
Interest Income On Pass Through Certificates		
Interest Income On Loans / Deposit to Related Parties		

Interest Income On Loans to Employees	-	
Interest Spread on Securitization / Assignment of Receivables (Net )		
Gain On Sale Of Current Investment ( Net )		
Profit/(Loss) On Sale Of Fixed Assets ( Net )	<b>230,107.65</b>	
<b>Operating Profit Before Changes In Working Capital</b>	<b>6,949,092.24</b>	<b>(5,878,444.13)</b>
<b><u>Changes in Working Capital :</u></b>		
<b>Adjustment For (Increase ) / Decrease In Operating Assets :</b>		
Long - Term Receivables Under Finance Activities	-	
Long - Term Loans and Advances	<b>(143,651,489.00)</b>	(119,425,584.27)
Short - Term Receivables Under Financing Activities	-	
Short - Term Loans and Advances	(428,961,789.00)	
Other Current Assets & Non Current Assets Bilateral Assignment and Securitization of Assets (Net )	(194,962.00)	2,067,435.76
	-	
<b>Adjustment For Increase / (decrease ) in Operating Liabilities :</b>		
Other Long - Term Liabilities		
Long - Term Provision		
Trade Payables		
Other Current Liabilities	517,112.00	1,662,329.00
Short - Term Provision	5,699,977.73	2,708,860.11
<b>Cash Flow Used In Operations</b>	<b>(559,642,058.03)</b>	<b>(118,865,403.53)</b>

Service Tax Paid ( VCES)		(538,169.00)
Late Fine on TDS	<b>(3,920.00)</b>	(740.00)
Gain On Sale Of Current Investments ( Net )		
Self Assessment Tax Paid	(38,120.00)	
Finance Costs Paid		
Interest Received On Deposits / Other Loans		
Interest on Income Tax Paid	<b>(69,744.00)</b>	
Direct Taxes Paid	<b>(2,424,800.00)</b>	(2,222,353.00)
<b>Net Cash Flow Used In Operations</b>	<b>(562,178,642.03)</b>	<b>(121,626,665.53)</b>
<b>B. Cash Flow From Investing Activities</b>		
Capital Expenditure Including Capital Advances	(5,249,991.00)	(3,867,338.00)
Proceeds From Sale Of Fixed Assets	50,000.00	249,000.00
Bank Deposits not Considered as Cash and Cash Equivalents ( Net )		
(Increase)/ Decrease in Long Term Loans & Advances		(154,357,966.08)
Purchase Of Current Investments ( Net )	<b>(547,640.61)</b>	4,751,403.00
Interest Received	<b>15,995,156.80</b>	12,502,933.00
Dividend Received	<b>1,539,350.54</b>	410,332.31
<b>Net Cash Flow ( Used In ) / From Investing Activities</b>	<b>11,786,875.73</b>	<b>(140,311,635.77)</b>
<b>C. Cash Flow from Financing Activities</b>		

Long-Term Borrowings Taken		
Long-Term Borrowings Repaid	377,736,094.38	335,083,426.02
Short-Term Borrowings Taken / (Repaid)	273,764,152.87	
Shares Issued	69,298,000.00	
Dividend Paid	(867,489.00)	
Security Premium	16,722,000.00	
<b>Net Cash Flow from Financing Activities</b>	<b>736,652,758.25</b>	<b>335,083,426.02</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents (A)+(B)+(C)</b>	186,260,991.95	-
Cash and Cash Equivalents at the Beginning of the Year	200,871,127.26	127,726,002.54
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>387,132,119.21</b>	<b>127,726,002.54</b>
<b>Note :</b>		
(i) The reconciliation to the Cash and Cash Equivalents as given in Note 21 is as follows: Cash and Cash Equivalents as per Note 21 Less: Lien Marked Deposits Cash and Cash Equivalents (as defined in AS 3 - Cash flow statements) as at the End of the Year		
See accompanying notes forming part of Financial Statements		



In Terms of our report attached

For K.C. Tak & Co.

For and on Behalf of Board of Directors

**Sd/-**

**Sd/-**

**Sd/-**

**Sd/-**

Partner  
**K.C. Tak**

Director  
**Vikram Jain**

Director  
**Gautam Jain**

Company Secretary  
**Gaurav Kumar Vohra**

Place: Kolkata  
Date: 20.06.2016

## **Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2016**

### **1. CORPORATE INFORMATION**

Vedika Credit Capital Limited (the Company) was incorporated on 15 March 1995 under the Companies Act, 1956. The Company is registered as a Non-Banking Financial (Non deposit accepting or holding) Company under Section 45-IA of the Reserve Bank of India (RBI) Act, 1934. It is engaged in micro finance lending activities, providing financial services to poor women in urban India who are organized as Joint Liability Group (JLGs) / Self Help Groups (SHGs). The Company provides small value collateral free loans up to Rs. 50,000 for tenure up to 2 years. The NBFC - MFI license from RBI has been granted to the Company with effect from on 3<sup>rd</sup> June, 2015.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

#### **2.1 Basis of Accounting**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act 1956, ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The Company is a Non-Banking Finance Company - Micro Finance Institution (NBFC-MFI). The Company follows the prudential norms for income recognition, asset classification and provisioning as prescribed by the Reserve Bank of India for NBFC-MFI's or more stringent norms as indicated in Note 2.19.

#### **2.2 Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the

Reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

### **2.3 Cash and Cash Equivalents (for Purposes of Cash Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### **2.4 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit 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 based on the available information.

### **2.5 Depreciation and Amortization**

Depreciable amount for assets is the cost of an asset, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

#### **Tangible Assets:**

Computer Equipments - 3 Years

Furniture and Fixtures - 10 Year

Office Equipments - 3 Years  
Vehicle - 8 Years

Leasehold Improvements are depreciated over the remaining primary lease period or 3 years whichever is lower. Assets individually costing less than Rs. 5,000 each are fully depreciated in the year of Capitalization.

**Intangible assets are amortized on a straight line basis over their estimated useful life as follows:**

Software - Lower of license period or 3 years.

## **2.6 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- a) Interest Income on Loans granted is recognized under the internal rate of return method. Income on Non-performing Assets is recognized only when realized and any interest accrued until the asset became a Non-performing Asset and remaining overdue is de-recognized by reversing the interest income.
- b) Loan Processing Fee is recognized over the life of the loan on a straight line basis.
- c) In accordance with the RBI Guidelines on Securitization Transactions, gains arising from assignment/ securitization are amortized over the life of the underlying portfolio loans. In case of any loss, the same is recognized in the Statement of Profit and Loss immediately.
- d) Interest Income on deposits / investments is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- e) Grants are recognized as income on fulfillment of the terms of the Grant Agreement.
- f) Dividend income is accounted for when the right to receive it is established.
- g) All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization / collection.

## 2.7 Fixed Assets - Tangible and Intangible

Fixed assets are carried at cost less accumulated depreciation/amortization and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities) and any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

## Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

## 2.9 Employee Benefits

Employee benefits include provident fund.

Defined contribution plan:

The Company's contribution to provident fund are considered as defined contribution plan and are charged as an expense as they fall due based on the amount of contribution required to be made and when the services are rendered by the employees.

## 2.10 Borrowing Costs

Borrowing costs include interest and ancillary costs that the Company incurs in connection with the borrowings. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss at the time of availment of the Loan.

## 2.11 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure.

## 2.12 Earnings per Share

Basic earnings per share are computed by dividing the profit after tax (including the post-tax effect of extraordinary 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 after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

## 2.13 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable Income tax laws.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there is unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income

levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their reliability.

## **2.14 Impairment of Assets**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

## **2.15 Provisions and Contingencies**

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes to the Financial Statements.

## **2.16 Service tax input credit**

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

## **2.17 Classification and Provisions of Loan Portfolio**

- (a) Loans are classified and provided for as per the Company's Policy and Management's estimates, subject to the minimum classification and provisioning norms as per the Non-Banking Financial Company - Micro Finance Institutions (Reserve Bank) Directions, 2011, as amended.

### Classification of Loans

Asset Classification	Period of Overdue
Standard Assets	Not Overdue or Overdue for less than 30 days
<b>Non Performing Assets (NPA)</b>	
Sub-Standard Assets	Overdue for 30 days and more but less than 90 days
Doubtful Assets	Overdue for 90 days and more
Loss Assets	Assets which are identified as loss asset by the Company or the internal auditor or the external auditor or by the Reserve Bank of India.

"Overdue" refers to interest and / or principal and / or installment remaining unpaid from the day it became receivable.

### (b) Provisioning Norms for Loans - Followed by the Company

Asset Classification	Provisioning Percentage used by the Company
Standard Assets	1%
<b>Non-Performing Assets (NPA)</b>	
Sub-Standard Assets	
Overdue for 30 days and more but less than 60 days	10%
Overdue for 60 days and more but less than 90 days	25%
Doubtful Assets	
Doubtful Assets – Overdue for 90 days and more but less than 120 days	50%
Doubtful Assets – Overdue for 120 days and more	100%
Loss Assets	100%



- (c) Provisioning Norms for Loans - As Per RBI Guidelines [Non-Banking Financial Companies - Micro Finance Institutions (Reserve Bank) Directions, 2011, as amended]

The aggregate loan provision to be maintained by NBFC-MFIs at any point of time shall not be less than the higher of the following:

1% of the outstanding loan portfolio (or) 50% of the aggregate loan installments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan installments which are overdue for 180 days or more.

- (d) Under exceptional circumstances, Management may renegotiate loans by rescheduling repayment terms for customers who have defaulted in repayment but who appear willing and able to repay their loans under a longer term agreement. Rescheduled Standard Assets are classified / provided for as Sub-Standard Assets as per (b) above which classification / provisioning is retained for a period of 1 year of satisfactory performance. Rescheduled Non Performing Assets are not upgraded but are retained at the original classification / provisioning for a period of 1 year of satisfactory performance.

## 2.18 Current-non-current classification

All assets and liabilities are classified into current and non-current.

### Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realized within 12 months after the reporting date; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

### **Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities all other liabilities are classified as non-current.

### **Operating cycle**

Company has ascertained its operating cycle as 12 months that is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

## Vedika Credit Capital Limited

Notes forming part of the financial statements for the year ended 31<sup>st</sup> March, 2016

Particulars	As at 31 <sup>st</sup> March, 2016		As at 31 <sup>st</sup> March, 2015	
	No. of Shares	Rs.	No. of Shares	Rs.
<b>3. Share Capital</b>				
(a) <b>Authorized</b>				
Equity shares of Rs. 10 each	10,000,000	100,000,000.00	10,000,000	10,000,000.00
Preference shares of Rs. 10 each	7,000,000	70,000,000.00	-	-
(b) <b>Issued, Subscribed and Fully Paid-up</b>				
Equity shares of Rs. 10 each	8,149,300	81,493,000.00	7,034,500.00	70,345,000.00
8,14,930 Equity Shares				
Preference shares of Rs. 10 each	5,815,000	58,150,000.00	-	-
	13,964,300	139,643,000	7,034,500.00	70,345,000.00

## 3.1 Reconciliation of Shares Outstanding at the beginning and at the end of the Year

Particulars	As at 31 March 2016	As at 31 March 2015		
	No. of Shares	Rs.	No. of Shares	Rs.
<b>Equity Shares</b>				
At the Beginning of the Year	7,034,500	70,345,000.00	7,034,500	70,345,000.00
Issued during the year	1,114,800	11,148,000.00	-	-
<b>Outstanding at the End of the Year</b>	8,149,300	81,493,000.00	7,034,500	70,345,000.00
<b>Optionally Convertible Preference Shares</b>				
At the Beginning of the Year	-	-	-	-
Issued during the Year	5,815,000	58,150,000.00	-	-

<b>Outstanding at the End of the Year</b>	5,815,000	58,150,000.00	-	-
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3.2

**Details of Shareholders holding more than 5% Shares in the Company**

Particulars	As at 31 <sup>st</sup> March, 2016		As at 31 <sup>st</sup> March, 2015	
	No. of Shares	% held	No. of Shares	% held
<b>1. Gautam Jain</b> Poddar Bagan, Harmu Road Ranchi	1,809,550	22.20	1,243,550.00	21.30
<b>2. Vikram Jain</b> Poddar Bagan, Harmu Road Ranchi	1,214,600	14.90	1,188,600.00	21.30
<b>3. Ummedmal Jain</b> Poddar Bagan, Harmu Road Ranchi	881,350	10.82	788,550.00	14.10
<b>4. Kanta Devi Jain</b> Poddar Bagan, Harmu Road Ranchi	941,050	11.55	751,050.00	13.50
<b>5. Anita Jain</b> Poddar Bagan, Harmu Road Ranchi	443,550	5.44	403,550.00	7.20
<b>6. Vinita Jain</b> Poddar Bagan, Harmu Road, Ranchi	471,200	7.75	451,200.00	8.10
<b>TOTAL</b>	<b>5,761,300</b>		<b>4,826,500.00</b>	

### 3.3 Terms/Rights attached to Shares.

The Company has only one class of equity shares having a par value of Rs. 10. Each holder is entitled to one vote per equity share. Dividends are paid in Indian Rupees. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend. Repayment of capital will be in proportion to the number of equity shares held.

The company has issued a 9% redeemable optionally convertible preference shares during the year. Dividend of 9% p.a. is to be paid within 3 months from the closure of each FY. Dividend, if not paid, will be cumulative in nature. The preference shares are compulsorily convertible into equity at par, at a pre-determined price or as per mutually agreed methodology, which would take into account the performance of the company or redeemed as per the terms of investment. Conversion option may be exercised by the Company at the end of the 5th Year from the date of issue.

<b>Vedika Credit Capital Limited</b>		
<b>Notes forming part of the financial statements for the year ended 31<sup>st</sup> March, 2016</b>		
<b>Particulars</b>	<b>As at 31-Mar-16</b>	<b>As at 31-Mar-15</b>
<b>4. Reserves and Surplus</b>		
<b>Securities Premium Account</b>		
Opening Balance	74,302,000.00	74,302,000.00
Add: Premium on shares issued during the year	16,722,000.00	
Closing Balance	<b>91,024,000.00</b>	<b>74,302,000.00</b>
<b>Statutory Reserve</b>		
Opening Balance	5,404,375.89	4,554,632.34
Add: Amount transferred from General Reserve	-	-
Add: Amount Transferred during the Year from Surplus in the Statement of Profit and Loss	2,701,968.44	849,743.55
Closing Balance	<b>8,106,344.33</b>	<b>5,404,375.89</b>
<b>General Reserve</b>		
Opening Balance	16,998,793.59	16,998,793.59
Less: Interest on Income tax	69,744.00	
Less: Transferred to Statutory Reserve	-	-

Closing Balance	<b>16,929,049.59</b>	<b>16,998,793.59</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Opening Balance	2,594,693.30	191,955.34
Add: Profit After Tax for the Year	13,509,842.18	4,145,090.49
Add: Dividend Income		410,332.31
Add: Income on Sale of Assets		171,815.37
Less: Fixed Assets Amortized During the Year		911,417.66
Less: Late filing of TDS	3,920.00	-
Less: Income Tax	38,120.00	
Less: Appropriations		563,339.00
Less: Dividend (net) on Preference Shares	867,489.00	-
Less: Dividend Distribution Tax	173,446.78	-
- Transfer to Statutory Reserve	2,701,968.44	849,743.55
<b>Net Surplus in the Statement of Profit and Loss</b>	<b>12,319,591.26</b>	<b>2,594,693.30</b>
	<b>128,378,985.18</b>	<b>99,299,862.78</b>
<b>Particulars</b>	<b>As at 31-Mar-16</b>	<b>As at 31-Mar-15</b>
<b>5. Long-Term Borrowings</b>		
Redeemable Non-Convertible Debentures	-	-

Term Loans - Secured		
From Banks (Refer Note 5.1)	293,848,282.00	229,137,000.00
From Other Parties (Refer Note 5.2)	467756447.45	154,731,635.07
	<b>761,604,729.45</b>	<b>383,868,635.07</b>

### 5.1 Details of Term Loans from Banks – Secured

(a) The loans are secured by the hypothecation of Book Debts created out of the loan to the extent of 110% of the loan amount.

(b) The Company has not defaulted in the repayment of dues to banks.

(c) Collateral - 10% Cash Collateral in the form of Fixed Deposits

### 5.2 Details of Term Loans from Other Parties

(a) The loans are secured by the hypothecation of Book Debts created out of the loan.

(b) The Company has not defaulted in the repayment of dues relating to Term Loan from other parties.



<b>Vedika Credit Capital Limited</b>		
<b>Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2016</b>		
<b>Particulars</b>	<b>As at 31-Mar-16</b>	<b>As at 31-Mar-15</b>
<b>6. Short-Term Borrowings</b>		
Banks/Secured	299,614,546.19	
Unsecured	-	96,290,203.10
Other Loans & Advances	437,520,002.68	367,080,192.90
	<b>737,134,548.87</b>	<b>463,370,396.00</b>

<b>Particulars</b>	<b>As at 31-Mar-16</b>	<b>As at 31-Mar-15</b>
<b>7. Other Current Liabilities</b>		
Other Payables	-	-
Dividend Payable	1,496,520.80	1,846,897.80
	867,489.00	-
	<b>2,364,009.80</b>	<b>1,846,897.80</b>

<b>Particulars</b>	<b>As at 31-Mar-16</b>	<b>As at 31-Mar-15</b>
<b>8. Short-Term Provisions</b>		
<b>Provision -Income Tax</b>	8,528,052.00	2,488,232.00
<b>Provision -Corporate Dividend Tax</b>	173,446.78	-
<b>Provision- Audit Fees</b>	106,263.00	92,916.00
<b>Provision - Others (Refer Note 39) Provision for all Receivables under Financing Activities</b>	13,881,852.13	8,195,221.40
	<b>22,689,613.91</b>	<b>10,776,369.40</b>

## VEDIKA CREDIT CAPITAL LIMITED

Notes forming part of the financial statements for the year ended 31 March 2016

## 9. Tangible Assets

Particulars	Gross Block			Depreciation				Net Block		
	As On April 1, 2015	Additions	Deletion	As On March 31, 2016	As On April 1, 2015	For The Year	Amortised during the year	Total March 31, 2016	As On March 31, 2016	As On March 31, 2015
Air Conditioner	222,748.00	280,000.00		502,748.00	149,118.02	18,929.81		168,047.83	334,700.17	73,629.98
Battery	105,762.00	79,400.00		185,162.00	49,216.39	8,332.15		57,548.54	127,613.46	56,545.61
Car	1,931,072.37	785,000.00	280,107.65	2,435,964.72	891,744.51	111,377.72		1,003,122.23	1,432,842.49	1,039,327.86
Computer	3,624,119.70	1,904,509.00		5,528,628.70	2,815,305.37	584,255.87		3,399,561.24	2,129,067.46	808,814.33
Door Lock Machine	28,000.00	40,562.00		68,562.00	1,705.32	9,057.26		10,762.58	57,799.42	26,294.68
Fridge	73,200.00	-		73,200.00	53,145.65	1,639.43		54,785.08	18,414.92	20,054.35
Furniture & Fixture	1,961,172.00	1,483,392.00		3,444,564.00	799,364.24	209,879.91		1,009,244.15	2,435,319.85	1,161,807.76
Generator	42,589.00	16,462.00		59,051.00	33,602.62	1,628.31		35,230.93	23,820.07	8,986.38
Mobile Phone	562,563.00	21,000.00		583,563.00	244,652.63	29,063.53		273,716.16	309,846.84	317,910.37
Music System	48,440.00			48,440.00	23,411.55	2,260.65		25,672.20	22,767.80	25,028.45
Projector LCD	60,000.00	29,000.00		89,000.00	46,492.87	1,790.41		48,283.28	40,716.72	13,507.13
Safe	376,828.00			376,828.00	244,807.09	5,320.00		250,127.09	126,700.91	132,020.91
Water Heater	11,500.00			11,500.00	8,105.78	281.92		8,387.70	3,112.30	3,394.22

Electrical Appliances	51,460.00	44,000.00		95,460.00	15,145.76	5,358.75		20,504.51	74,955.49	36,314.24
CCTV Camera	35,922.00			35,922.00	12,549.93	2,157.60		14,707.53	21,214.47	23,372.07
Camera	76,400.00			76,400.00	45,359.52	2,722.05		48,081.57	28,318.43	31,040.48
DVD Player	3,000.00			3,000.00	1,543.66	130.63		1,674.29	1,325.71	1,456.34
Television Set	166,600.00			166,600.00	55,108.25	10,316.17		65,424.42	101,175.58	111,491.75
Utensils	40,013.00			40,013.00	35,373.72	1,058.30		36,432.02	3,580.98	4,639.28
Cycle	37,126.00			37,126.00	10,812.23	8,152.49		18,964.72	18,161.28	26,313.77
Pureit Water Filter	26,394.00	14,935.00		41,329.00	25,074.30	279.88		25,354.18	15,974.82	1,319.70
Server System	330,670.00			330,670.00	213,961.61	100,174.89		314,136.50	16,533.50	116,708.39
Motorcycle		55,000.00		55,000.00	-	304.20		304.20	54,695.80	-
<b>Total</b>	<b>9,815,579.07</b>	<b>4,753,260.00</b>	<b>280,107.65</b>	<b>14,288,731.42</b>	<b>5,775,601.02</b>	<b>1,114,471.93</b>	<b>-</b>	<b>6,890,072.95</b>	<b>7,398,658.47</b>	<b>4,039,978.05</b>
<b>Previous Year</b>	<b>6,775,459.70</b>	<b>3,117,304.00</b>	<b>77,184.63</b>	<b>9,815,579.07</b>	<b>4,996,222.80</b>	<b>596,839.92</b>		<b>5,775,601.02</b>	<b>4,039,978.05</b>	<b>1,779,236.90</b>

## 12.2 Intangible Assets

Particulars	Gross Block			Depreciation				Net Block		
	As On April 1, 2015	Additions	Deletion	As On March 31, 2016	As On April 1, 2015	For The Year		Total March 31, 2016	As On March 31, 2016	As On March 31, 2015
Computer Software	2,290,514.00	496,731.00		2,787,245.00	1,653,871.57	366,001.58		2,019,873.15	767,371.85	636,642.43
<b>Total</b>	<b>2,290,514.00</b>	<b>496,731.00</b>	<b>-</b>	<b>2,787,245.00</b>	<b>1,653,871.57</b>	<b>366,001.58</b>	<b>-</b>	<b>2,019,873.15</b>	<b>767,371.85</b>	<b>636,642.43</b>
<b>Previous Year</b>	<b>1,540,480.00</b>	<b>750,034.00</b>	<b>-</b>	<b>1,540,480.00</b>	<b>811,600.64</b>	<b>113,391.57</b>		<b>811,600.64</b>	<b>636,642.43</b>	<b>728,879.36</b>

<b>Vedika Credit Capital Limited</b>			
<b>Notes forming part of the financial statements for the year ended 31<sup>st</sup> March, 2016</b>			
<b>Deferred Tax Assets /(Liabilities)</b>			
The Deferred Tax Asset Has Arisen On Account Of the Following:			
<b>Particulars</b>	<b>As at 1-Apr-15</b>	<b>Credit / (Charged)</b>	<b>As at 31-Mar-16</b>
<b>10. Deferred Tax Assets/(Liabilities)</b>			
Difference between depreciation as per Books of Account and Income Tax Act, 1961	(376,094.72)	36,782.03	(339,312.69)
Contingent Provision all Assets under Financing Activities	829,158.27	(829,158.27)	-
Employee Benefits	-	-	-
Others	6,180.00	(6,180.00)	-
<b>Deferred Tax Assets</b>	<b>459,243.55</b>	<b>(798,556.24)</b>	<b>(339,312.69)</b>

<b>Particulars</b>	<b>As at 31-Mar-16</b>	<b>As at 31-Mar-15</b>
<b>11. Long-Term Loans and Advances</b>		
Loan To Customers Secured, Considered Good	627,654,062.00	484,002,573.00
	<b>627,654,062.00</b>	<b>484,002,573.00</b>

Particulars	As at	As at
	31-Mar-16	31-Mar-15
<b>12. Current Investments (At cost )</b>		
<b>Investment in Mutual Funds</b>		
HDFC Liquid Fund	1,033,530.61	485,890.00
	<b>1,033,530.61</b>	<b>485,890.00</b>

Particulars	As at	As at
	31-Mar-16	31-Mar-15
<b>13. Cash and Cash Equivalents</b>		
Cash on Hand Balances with Banks		
- In Current Accounts	170,214,096.21	19,540,554.26
- In Deposits Accounts - Free of Lien		
- In Deposits Accounts - Under Lien (Refer Note (b))	216,918,023.00	181,330,573.00
	<b>387,132,119.21</b>	<b>200,871,127.26</b>

Particulars	As at	As at
	31-Mar-16	31-Mar-15
<b>14. Short Term Loans and Advances</b>		
Prepaid Expenses - Unsecured, Considered Good	1,134,215.00	337,140.00
Deposits -Unsecured, Considered Good	576,487.00	249,887.00
Balances with Government Authorities - Unsecured, Considered Good	5,660,675.76	2,271,685.76
Supplier and Other Advances Loan to Customers	760,531,151.00	336,082,027.00
	<b>767,902,528.76</b>	<b>338,940,739.76</b>

Particulars	As at	As at
	31-Mar-16	31-Mar-15
<b>15. Other Current Assets</b>		
Insurance Claim - Considered Good	234,725.00	34,813.00
Receivables From Employees	31,204.00	36,154.00
	<b>265,929.00</b>	<b>70,967.00</b>

Particulars	For The Year Ended 31 <sup>st</sup> March, 2016	For The Year Ended 31 <sup>st</sup> March, 2015
<b>16. Revenue from Operations</b>		
Interest Income from Loans	278,939,676.20	143,156,325.00
Other Operating Revenues		
- Interest Income on Fixed Deposits with Banks / Others	15,995,156.80	12,502,933.00
- Commission Income	4,935,452.00	63,458.00
<b>Total</b>	<b>299,870,285.00</b>	<b>155,722,716.00</b>

Particulars	For The Year Ended 31 <sup>st</sup> March, 2016	For The Year Ended 31 <sup>st</sup> March, 2015
<b>17. Other Income</b>		
Interest Income		
- on Loans / Deposits to Related Parties	5,300,889.00	-
- on Loans to Employees	-	-
Miscellaneous Income	133,749.07	1,250.00
Dividend Income	1,539,350.54	
<b>Total</b>	<b>6,973,988.61</b>	<b>1,250.00</b>



Particulars	For The Year Ended 31 <sup>st</sup> March, 2016	For The Year Ended 31 <sup>st</sup> March, 2015
<b>18. Employee Benefit Expense</b>		
Salaries	37,938,962.00	29,179,170.00
Stipend	15,000.00	37,500.00
Staff Welfare Expenses	202,500.00	75,557.00
Incentives	2,679,188.00	1,323,584.00
<b>Total</b>	<b>40,835,650.00</b>	<b>30,615,811.00</b>

Particulars	For The Year Ended 31 March 2016	For The Year Ended 31 March 2015
<b>19. Finance Costs</b>		
Interest on Loans	184,893,231.13	88,636,636.00
Loan Processing Fees and Other Borrowing Costs	16,398,664.00	7,965,860.00
<b>Total</b>	<b>201,291,895.13</b>	<b>96,602,496.00</b>

Particulars	For The Year Ended 31 <sup>st</sup> March, 2016	For The Year Ended 31 <sup>st</sup> March, 2015
<b>20. Provisions and Write Offs</b>		
Contingent Provision for Standard, Sub-standard and Doubtful Receivables Under Financing Activities (Net)	5,686,630.73	2,683,360.11
<b>Total</b>	<b>5,686,630.73</b>	<b>2,683,360.11</b>

Particulars	For The Year Ended 31 <sup>st</sup> March, 2016	For The Year Ended 31 <sup>st</sup> March, 2015
<b>21. Other Expenses</b>		
Loss on sale of Car	230,107.62	-
Commission	9,893,500.00	1,493,778.00
Rent	4,882,861.00	3,560,949.00
Electricity Charges	289,493.00	255,666.00
Insurance	1,061,831.00	510,572.00
Software & Other Maintenance Expenses	339,180.00	265,470.00
Repairs and Maintenance	1,450,936.00	1,340,546.00
Administration Expenses	1,462,131.00	594,917.00
Travelling and Conveyance	2,225,079.00	1,313,893.00
Telephone and Internet Expenses	1,392,874.47	1,445,774.37
Printing, Stationery and Postage	1,344,516.00	790,075.00
Advertisement and Business Promotion Expenses	920,886.00	100,832.00
Legal, Professional and Membership Fees	2,679,801.87	2,216,688.38
Auditors' Remuneration	153,317.00	85,500.00
Prompt Payment Rebate	1,936,924.00	1,108,749.49
Bad Debts	3,131,680.00	3,111,860.00
Miscellaneous Expenses	343,099.00	433,156.62
Bank Charges	1,038,388.86	569,383.16
<b>Total</b>	<b>34,776,605.82</b>	<b>19,197,810.02</b>

## 22. Employees Benefits

### 22.1 Defined Contribution Plan

The Company makes Provident Fund contributions to State administered fund for qualifying employees. The Company is required to contribute a specified percentage of the payroll costs to the Fund. The Company recognized Rs. 29,18,726.00 (Previous Year: 3,17,136.00) payable) towards Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to the fund by the Company is at rates specified in the rules of the scheme.

## 23. Segment Reporting

The Company is primarily engaged in the business of Micro Finance in India. All the activities of the Company revolve around the main business. As such there are no separate business and geographic reportable segments as per AS-17 "Segment Reporting".

## 24. Related Party Transactions

### 24.1 Names of Related Parties and Nature of Relationship

Description of Relationship	Name of the related party
Key management personnel	Mr. Gautam Jain, Managing Director Mr. Vikram Jain, Director Mr. Ummed Mal Jain, Director Mr. Pravin Kumar Chaturvedi, Additional Director (w.e.f. 16 December 2014)
Relatives of key management personnel	Mrs. Anita Jain, wife of Gautam Jain Mrs. Vinita Jain, wife of Vikram Jain Mrs. Kanta Devi Jain, wife of Ummed Mal Jain
Enterprises where KMP exercises significant influence	Jatinder Finance Private Limited

**Note:** Related Party relationships are as identified by the Management.

**24.2 Transactions with the Related Parties**

<b>Name of the related party</b>	<b>Nature of transactions</b>	<b>For the Year ended 31<sup>st</sup> March, 2016</b>	<b>For the Year ended 31<sup>st</sup> March, 2015</b>
Vikram Jain	Salary	672,000	672,000
Ummed Mal Jain	Salary	480,000	480,000
Vinita Jain	Salary	300000	0
Anita Jain	Salary	300000	0
Kanta Devi Jain	Rent	250,000	570,000.00
Jatinder Finance Private Limited	Unsecured Loan Outstanding	33,289,962.00	22,047,605.00

**Balances with related parties**

<b>Name of the related party</b>	<b>Nature of transactions</b>	<b>Receivable / (Payable) as at 31 March 2016</b>	<b>Receivable / (Payable) as at 31 March 2015</b>
Jatinder Finance Private Limited	Unsecured loan	33,289,962.00	24,439,578.00

**Note:** Related Party Transactions are reported as informed by the client.

<b>25. Earnings Per Share</b>			
<b>Particulars</b>	<b>Note No.</b>	<b>For The Year Ended 31 March 2016</b>	<b>For The Year Ended 31 March 2015</b>
Profit after Tax - Rs. In Lakhs		13,509,842.18	4,145,090.49
Weighted average Number of Equity Shares (Nos.)	<b>25.1</b>	7,075,669.57	7,034,500.00
Earnings Per Share			
- Basic - in Rs.	<b>25.2</b>	<b>1.91</b>	0.59
- Diluted - in Rs.	<b>25.2</b>	<b>1.69</b>	0.59
Face Value Per Share - In Rs.		10.00	10.00

<b>25.1 Calculation of Weighted Avg EPS:</b>			
	<b>No. of Shares</b>	<b>No. of Months of Investment</b>	<b>Weighted Average No. of Shares</b>
	A	B	A*B/12
Opening Balance	7034500	12	7034500
Add : Allotted during the Year 19.02.2016	11148000	1.35	41169.57
			<b>7075669.57</b>

## 25.2 Calculation of Dilutive EPS

		Amount of Dilution	Wtd Avg No.Of Shares	Note No.	Ratio
		C	D		=C/D
	<b>Basic</b>	13,509,842.18	7,075,669.57	<b>25.1</b>	1.91
	<b>Incremental EPS</b> (as per calculation below)				
1	Equity	0	186180	<b>25.3.1</b>	0
2	Preference=Dividend+Corporate Dividend Tax	1,040,935.78	1367916.67	<b>25.3.2</b>	0.76
	<b>Total</b>	<b>14,550,777.96</b>	<b>8,629,766.24</b>		<b>1.69</b>

		Amount of Potential share Capital	No.of Potential Equity Shares	No of Months:	Potential Weighted Avg No.of Equity Shares
25.3	Incremental EPS on Potential Equity	E	F=E/10	G	F*G/12
25.3.1	<b>Share Application Money-Equity Receipt in : Allotment in :</b>				
	Dec				
	Feb	3720000	372000	3	93000
	Jan				
	Feb	3753600	375360	2	62560
	Feb				
	Feb	3674400	367440	1	30620
	<b>Total</b>				<b>186180</b>

<b>25.3.2</b>	<b>Preference Shares</b>				
	<b><u>Receipt in the Month of :</u></b>				
	Oct	5000000	500000	6	250000
	Dec	20000000	2000000	4	666666.67
	Jan	10000000	1000000	3	250000
	Feb	1000000	100000	2	16666.67
	Mar	22150000	2215000	1	184583.33
	<b>Total</b>				<b>1367916.67</b>

## 26. Loan Portfolio and Provision for Standard and Non Performing Assets

### (a) Current Year

Asset Classification	Loan Outstanding as at 31 March 2016(Gross)	Provision as at 31 March 2016	Loan Outstanding as at 31 March 2016 (Net)
<b>Receivables under Financing Activities</b>			
Standard Assets	1,384,443,264.00		
Sub-Standard Assets	1,589,951.00		-
Doubtful Assets	2,151,998.00		-
<b>Total</b>	<b>1,388,185,213.00</b>	<b>13,881,852.13</b>	<b>1,374,303,360.87</b>

**Note:** Provision is made @ 1% on Total Loan Portfolio i.e.  $1388185213 * 1\% = 13881852.13$



## (b) Previous Year

<b>Asset Classification</b>	<b>Loan Outstanding as at 31 March 2015 (Gross)</b>	<b>Provision as at 31 March 2015</b>	<b>Loan Outstanding as at 31 March 2015 (Net)</b>
<b>Receivables under Financing Activities</b>			
Standard Assets	816,132,373.26	-	
Sub-Standard Assets	3,389,766.74	-	-
Doubtful Assets	-	-	-
<b>Total</b>	<b>819,522,140.00</b>	<b>8,194,221.40</b>	<b>811,327,918.60</b>

## 27. Changes in Provisions

## (a) Current Year

Particulars	As at 1 <sup>st</sup> April, 2015	Provision for the Year	Utilization/ Reversal	As at 31 <sup>st</sup> March, 2016
Contingent Provision for Standard Assets/ Sub-Standard and Doubtful under Financing Activities	8,195,221.40	5,686,630.73	-	13,881,852.13
<b>Total</b>	<b>8,195,221.40</b>	<b>5,686,630.73</b>	<b>-</b>	<b>13,881,852.13</b>

## (b) Previous Year

Particulars	As at 1 <sup>st</sup> April, 2014	Provision for the Year	Utilization/ Reversal	As at 31 <sup>st</sup> March, 2015
Contingent Provision for Standard Assets/ Sub-Standard and Doubtful under Financing Activities	5,511,861.29	2,683,360.11	-	8,195,221.40
<b>Total</b>	<b>5,511,861.29</b>	<b>2,683,360.11</b>	<b>-</b>	<b>8,195,221.40</b>

**28. Net Interest Margin during the year:**

Particulars	For the Year ended 31 March 2016	For the Year ended 31 March 2015
Average Interest (a)	25.23%	22.37%
Average effective cost for borrowing Interest (b)	19.74%	15.73%
Net Interest Margin (a-b)	5.49%	6.64%

**29. Statutory Reserve**

As per Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund at the rate of 20 % of the net profit after tax of the Company every year. Accordingly, the Company has transferred an amount of Rs. 27, 01,968.44 (Previous Year - Rs. 17, 82,280.16), out of the net profit after tax for the year ended 31<sup>st</sup> March, 2016 to Statutory Reserve.

**30. Contingent Liability**

**There is a dispute with the Office of the Commissioner, Central Excise & Service Tax Ranchi for an amount of Rs.1,48,28,953.00 under show cause demand for the period 01.10.2007 to 31.12.2012. Based on the decisions of the appellate authorities and the interpretations of other relevant provisions, the company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made, hence it stands as a contingent liability in the books.**

**31.** The Board of Directors have reviewed the realizable value of all the assets of the Company (other than Fixed Assets and Non-Current Investment) and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the financial statements.

**32. Previous Year Figures**

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

For and on behalf of the Board of Directors

	<b>Sd/-</b>	<b>Sd/-</b>	<b>Sd/-</b>
Place: Kolkata Date: 20.06.16	<b>Gautam Jain</b> Director	<b>Vikram Jain</b> Director	<b>Gaurav Kumar Vohra</b> Company Secretary

## Corporate Information

<b>BOARD OF DIRECTORS</b>	<p>Mr. Gautam Jain          Mr. Vikram Jain          Mr. Ummed Mal Jain          Mr. Praveen Kumar Chaturvedi          Mr. Vinod Kumar Gupta</p>	<p>Managing Director          Director          Director          Director          Independent          Director</p>
<b>COMPANY SECTORY</b>	Mr. Gaurav Kumar Vohra	
<b>AUDITORS</b>	<p>Mr. Pradeep Sharma          M/S K. C. Tak &amp; Co.</p>	<p>Internal Auditor          Statutory Auditor</p>
<b>BANKERS &amp; OTHER LENDERS</b>	<p>Indian Overseas Bank          Allahabad Bank          Mas Financial Services Ltd          Small Industries Development Bank Of India          IFMR Capital Finance Pvt. Ltd.          Reliance Capital Ltd.          Oriental Bank of Commerce          Jain Sons Finlease Ltd.          Electronica Finance Ltd.          Capital First Ltd.          Mahindra and Mahindra Financial Services Ltd          Muthoot Capital Services Ltd.          Au Financiers (India) Ltd.</p>	
<b>CORPORATE IDENTIFICATION NO:</b>	U67120WB1995PLC069424	
<b>REGISTERED OFFICE</b>	<p>Vedika Credit Capital Ltd          20, Mullick Street, 2nd Floor,          Kolkata-700007, West Bengal</p>	
<b>HEAD OFFICE</b>	<p>406, Shrilok Complex,          4<sup>th</sup> Floor, H.B. Road,          Ranchi-834001, Jharkhand</p>	
<b>WEBSITE</b>	<a href="http://www.teamvedika.com">www.teamvedika.com</a>	