

2017



VEDIKA CREDIT CAPITAL LTD
PARTNER IN THE GROWTH OF MICRO ENTREPRENEURS

23rd ANNUAL REPORT

For the Year ended 31st March, 2017

“We believe we have been successful in preserving the integrity of the financial Market, our commitment of satisfying customer need, and partnering into the growth of Micro Entrepreneur, we’re staying true to our mission.”



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FROM THE CHAIRMAN'S DESK



“My dream is to find individuals who take financial resources and convert them into changing the world in the most positive ways.”

Vedika Credit Capital Ltd was incorporated on 15th March, 1995. It started MFI operations in 2007. However the Company expanded since 2013.

The Company has expanded geographically as well as financially. The Company has increased its Branches from **26 to 65** in last 3 years with the presence in around 32 districts. The States too have increased from 3 to 4 over the same period.

The Company's Net Income has raised from **Rs. 0.41 Crores** in 2014-15 to **Rs. 3.42 Crores** in 2016-17. The Company is presently serving more than **1.00 Lakh customers**.

First time companies' director recommend a final dividend of **10 paisa** per share for the year ending March 31, 2017

One of the greatest USP of the Company is that the average age of the employees is below 36 years which makes it the youngest MFI of the country. Vedika seeks to improve upon the achievements made.

MISSION VISION STATEMENT

MISSION

**Partner in the Growth of
Micro Entrepreneurs**



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

VISION

AREA OF OPERATION

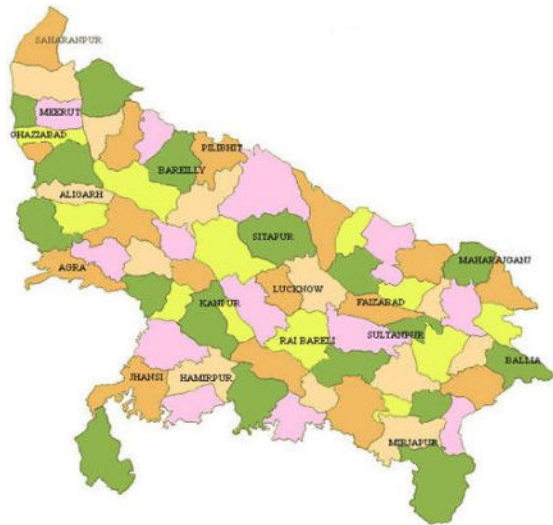
JHARKHAND



BIHAR



UTTAR PRADESH



WEST BENGAL



LIST OF BRANCHES AS ON 31ST MARCH, 2017***STATE : JHARKHAND (13 Branches)***

Branches Name:			
Kokar	Giridih	Chaibasa	Hazaribagh
Pandra	Dhanbad	Hatia	Koderma
Ramgarh	Jamshedpur	Bokaro	Chirkunda
Adityapur			

STATE: BIHAR (25 Branches)

Branches Name:			
Hajipur	Phulwarisharif	Nawada	Chhapra
Kankarbagh	Rajiv Nagar	Bihta	Sariya
Gaya	Fatuha	Rajgir	Mahua
Bihiya	Bakhatiarapur	Muzaffarpur	Dalsinghsarai
Biharsharif	Ara	Buxar	Harnaut
Chandi	Jehanabad	Begusarai	Ekangar Sarai
Samastipur			

STATE :UTTAR PRADESH (7 Branches)

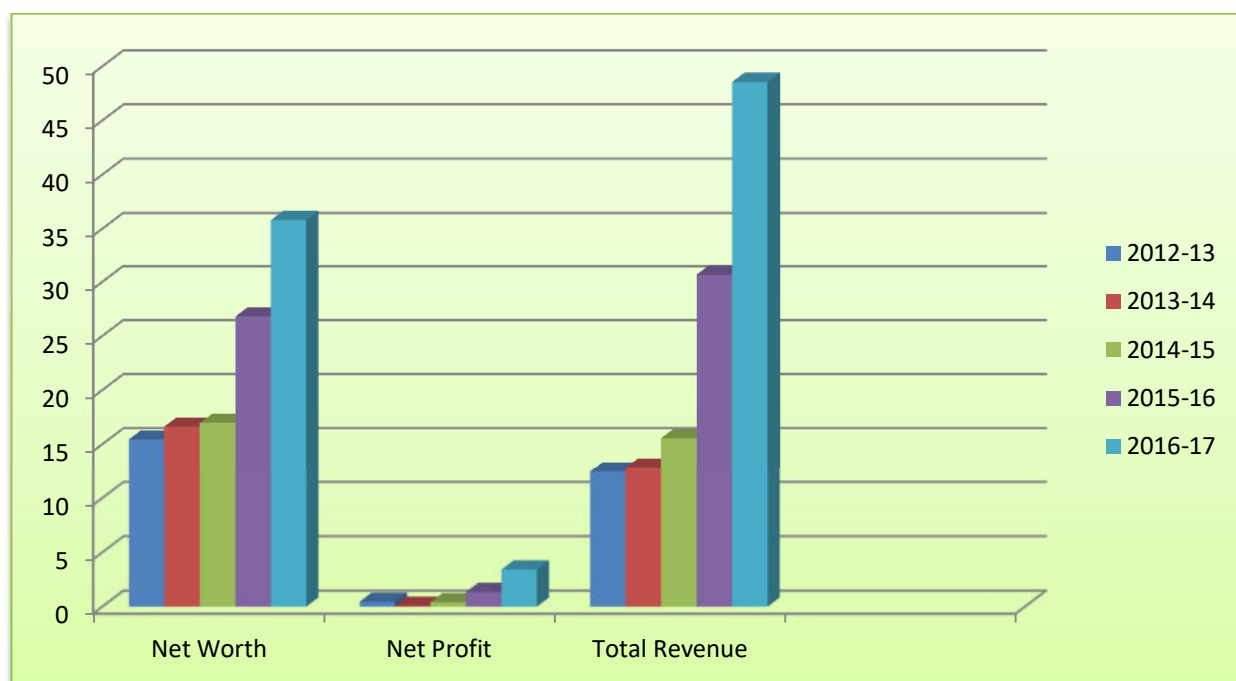
Branches Name:			
Alambagh	Bara Banki	Machhlishahr	Allahabad
Jankipuram	Jaunpur	Varanasi	

STATE: WEST BENGAL (20 Branches)

Branches Name:			
Biradingi	Burdwan	Durgapur	Sonarpur
Barrackpore	Baguiati	Kalna	Dunlop
Halisahar	Amtala	Tribeni	Tollygunge
Asansol	Krishnanagar	Sheoraphuli	Memari
Chakdaha	Karimpur	Tehatta	Raniganj

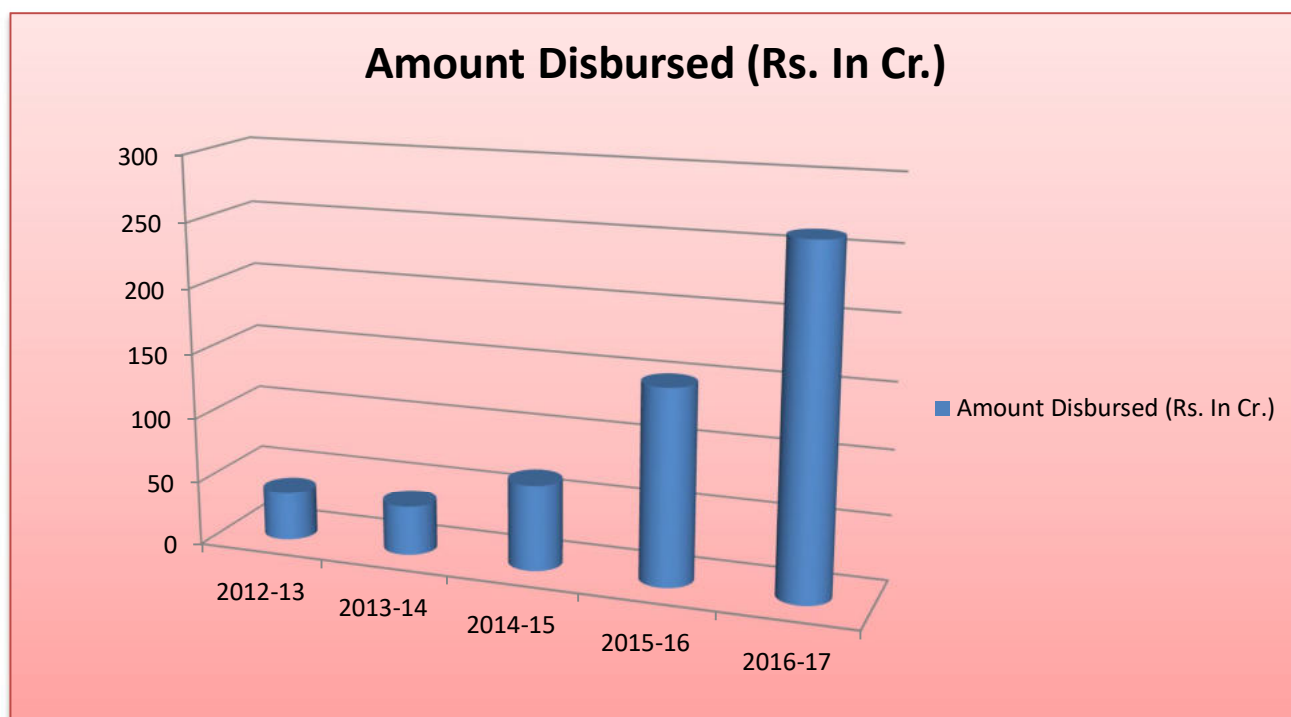
FINANCIAL RESULTS OF 5 FINANCIAL YEARS

<i>Particulars</i>	<i>2012-13</i>	<i>2013-14</i>	<i>2014-15</i>	<i>2015-2016</i>	<i>2016-2017</i>
Net Worth (Rs. in Cr)	15.45	16.64	16.96	26.80	35.80
Net Profits (Rs. in Cr)	0.45	0.08	0.41	1.35	3.42
Total Revenue (Rs. in Cr)	12.46	12.83	15.57	30.68	48.58



OPERATIONAL HIGHLIGHTS

<i>Financial Year</i>	<i>No. of Branches</i>	<i>Amount Disbursed (Rs. In Cr.)</i>
2012-13	10	37.67
2013-14	19	38.3
2014-15	26	66.49
2015-16	44	149.76
2016-17	65	262.03



DIRECTORS REPORT

To
The Members,
M/s Vedika Credit Capital Ltd

Your Directors have pleasure in presenting the 23rd Annual Report on the business and operations of your Company along with the audited accounts for the Financial Year ended on 31st March, 2017.

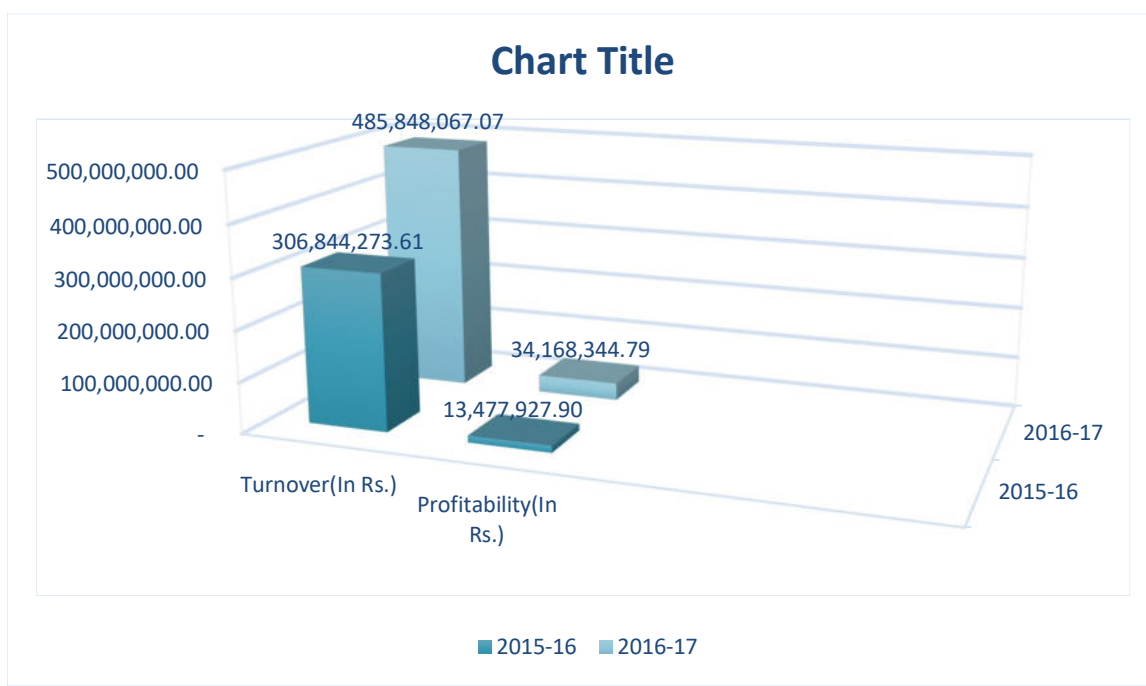
1) Financial summary or highlights/Performance of the Company:

<i>Particulars</i>	<i>Current Year [2016-17]</i>	<i>Previous Year [2015-16]</i>
Earnings before interest, tax and divided: (EBITD)	34,23,33,982.93	22,55,45,387.06
<i>Less: Interest & Other Financial Cost</i>	29,69,04,756.57	20,12,91,895.13
<i>Less: Depreciation</i>	24,35,253.00	14,80,473.51
Profit Before Tax (PBT)	4,29,93,973.36	2,27,73,018.42
<i>Add: Exceptional Item</i>	10,00,000.00	-
<i>Less: Income Tax</i>	1,67,36,510.00	85,14,900.00
<i>Less: Deferred Tax</i>	(69,10,881.43)	7,80,190.52
Profit After Tax (PAT)	3,41,68,344.79	1,34,77,927.90

2) **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 in tabular format:

<i>Particulars</i>	<i>F.Y. 2016-17</i>	<i>F.Y. 2015-16</i>	<i>% Growth</i>
Turnover (in Rs.)	48,58,48,067.07	30,68,44,273.61	58.34%
Profitability (in Rs.)	3,41,68,344.79	1,34,77,927.90	153.51%



3) **Dividend:**

The Board recommended a dividend of 10 paise per Equity share on 99,07,748 Equity Shares of Rs. 10 each for the year ended 31st March, 2017 which amounts to Rs. 9,90,774.80 (Rupees Nine Lakh Ninety Thousand Seven Hundred Seventy-Four and Eighty paise). The dividend on Equity shares is subject to the approval of the shareholders at the Annual General Meeting (AGM) scheduled on 29th July, 2017.

The Board will distribute Rs. 52,38,431.51 (Rupees Fifty-Two Lakh Thirty-Eight Thousand Four Hundred Thirty-One and Fifty-One paisa) as dividend to the Preference Shareholders as compared to Rs. 8,67,489.00 (Rupees Eight Lakh Sixty-Seven Thousand Four Hundred Eighty-Nine) paid in previous year as per the agreed terms & conditions at the time of issue.

The Register of Members and Share Transfer Books will remain closed from 6th July, 2017 to 15th July, 2017 (both days inclusive) for the purpose of payment of the dividend for the Financial Year ended 31st March, 2017.

4) **Transfer to Reserves:**

During the year under review, your company has transferred **Rs. 68,33,668.96** (Rupees Sixty-Eight Lakh Thirty-Three Thousand Six Hundred Sixty-Eight and Ninety-Six paisa only) to Statutory Reserves. **Rs. 1,98,32,466.47** (Rupees One Crore Ninety-Eight Lakh Thirty-Two Thousand Four Hundred Sixty-Six and Forty-Seven paisa only) transferred to General Reserves.

5) **Share Capital:**

- Company has neither issued equity shares with differential right or Sweat Equity Shares or Employee Stock Option nor made any provisions for purchase of own shares by employees for the financial year to which financial statement relates.
- Your Company has issued 17,58,448 Equity Shares during the year on private placement basis.
- Further, your Company has issued 20,00,000 Preference Shares during the year, that shall carry a preferential right with respect to payment of dividend and repayment of capital.

6) **Directors and Key Managerial Personnel**

Mr. Pravin Kumar Chaturvedi and Mr. Ummed Mal Jain, Directors retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment. During the year, Mr. Vinod Kumar Gupta and Mr.

Ramanathan Annamalai have been appointed as Independent Directors for the term of 5 years. Further, Mr. Gautam Jain has been appointed as a Managing Director of the Company w.e.f. 12th April, 2016.

7) Number of Meetings of the Board:

During the Financial Year 2016-17, 19 (Nineteen) Board meetings were held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The Board meets at the regular interval to discuss and decide the Company/ business policy & strategy. The Notices of Board Meeting were 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 on the following dates during the year reported hereunder: -

12.04.2016	20.04.2016	17.05.2016	23.05.2016	20.06.2016	27.06.2016
04.07.2016	15.07.2016	25.07.2016	10.08.2016	22.08.2016	03.09.2016
17.09.2016	26.09.2016	05.10.2016	28.01.2017	18.03.2017	21.03.2017
31.03.2017					

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

S.N.	Name of the Directors	No. of Meeting held During the tenure	Attendance at Board Meetings	Attendance at Previous A.G.M.
1.	Mr. Gautam Jain	19	19	Yes
2.	Mr. Vikram Jain	19	19	Yes
3.	Mr. Ummedmal Jain	19	19	Yes
4.	Mr. Pravin Kumar Chaturvedi	19	14	Yes
5.	Mr. Vinod Kumar Gupta	12	9	Yes
6.	Mr. Ramanathan Annamalai	3	1	No

8) Declaration by Independent Directors and re-appointment, if any:

A declaration by Independent Directors that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 received in the first board meeting that they attended after appointment and subsequently on first board meeting of next financial year latest declaration copy attached as **Annexure- III.**

9) 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.

10) Details of Subsidiary/Joint Ventures/Associate Companies:

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

11) Statutory Auditors:

M/s K.C. Tak & Co., Chartered Accountants, Ranchi, was appointed as a Statutory Auditors of the Company at the 20th Annual General Meeting of the Company dated 29th September, 2014. The term of existing auditor has been completed as per the Companies Act, 2013 and it was decided in the Board Meeting to appoint a new statutory auditor who shall be appointed as recommended by the Audit Committee and payment of remuneration to them shall be confirmed and approved in the ensuing Annual General Meeting.

12) Auditors Report:

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

13) Audit Committee:

The Audit Committee was formed on 05th October, 2016 by the Board and as on 31st March, 2017, the Audit Committee of the company comprises of following 3 (three) Members:

Name	Designation	Category
Mr. Vinod Kumar Gupta	Chairman	Non-Executive & Independent
Mr. Pravin Kumar Chaturvedi	Member	Non-Executive & Professional
Mr. Vikram Jain	Member	Executive Director

All the recommendations made by the Audit Committee were accepted by the Board of Directors.

14) Internal Financial Control System:

According to Section 134(5)(e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the company 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.

The Company has a well-placed, proper and adequate internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly.

15) Vigil Mechanism:

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 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.

16) Risk Management Policy:

A key factor in determining a company's capacity to create sustainable value is the risks that the company is willing to take (at strategic and operational levels) and its ability to manage them effectively. Many risks exist in a company's operating environment and they emerge on a regular basis.

However, there is no proper policy developed till now for risk management.

17) Extract of Annual Return:

As required pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT-9** has been attached as a part of this Annual Report as **Annexure- I**.

18) 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.

19) 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.

20) Deposits:

Your company has not accepted any deposits during the year.

21) 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.

22) 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.**

23) Obligation of Company 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 2016-17.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo 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 have taken 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.

25) **Human Resources:**

Your Company treats its “human resources” as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

26) Directors' Responsibility Statement:

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state 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.

27) Transfer of Amounts to Investor Education and Protection Fund:

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years, Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

28) Acknowledgements:

We place on record our appreciation for 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 our customers who placed reliance upon our product and services.

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

Sd/-

Sd/-

Managing Director

(GAUTAM JAIN)

DIN: 00367524

Director

(VIKRAM JAIN)

DIN:00367570

Place: Ranchi

Date:24/06/2017

ANNEXURE-I

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on Financial Year ended on 31.03.2017

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

I. REGISTRATION & OTHER DETAILS:

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 nd Floor, Kolkata, West Bengal – 700007
6.	Whether listed company	NO
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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%

III. 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	-	-	-	-

IV. 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-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/ HUF	—	61,89,300	61,89,300	75.95%	—	7,521,548	7,521,548	75.91%	(0.04%)
b) Central Govt.	—	—	—	—	—	—	—	—	—
c) State Govt.(s)	—	—	—	—	—	—	—	—	—
d) Bodies Corp.	—	1,100,000	1,100,000	13.50%	—	1,526,200	1,526,200	15.40%	1.90%
e) Banks / FI	—	—	—	—	—	—	—	—	—
f) Any other	—	—	—	—	—	—	—	—	—
Sub-total(A)(1):-	—	7,289,300	7,289,300	89.45%	—	9,047,748	9,047,748	91.32%	1.87%
2) Foreign									
a) NRIs – Individuals	—	—	—	—	—	—	—	—	—
b) Other – Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corp.	—	—	—	—	—	—	—	—	—

d) Banks / FIs	—	—	—	—	—	—	—	—	—
e) Any Other	—	—	—	—	—	—	—	—	—
Sub-total (A)(2):-	—	—	—	—	—	—	—	—	—
Total shareholding of Promoters (A) = (A)(1) + (A)(2)	—	7,289,30 0	7,289,30 0	89.45%	—	9,047,74 8	9,047,74 8	91.32%	1.87%
B. Public/ Non- promoter Shareholding									
1) Institutions									
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	—	—	—	—	—	—	—	—	—
Sub-Total (B)(1): -	—	—	—	—	—	—	—	—	—

2) Non-Institutions									
a) Bodies Corp.									
i. Indian	—	860,000	860,000	10.55%	—	—	—	—	(10.55)%
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	—	—	—	—	—	860,000	860,000	8.68%	8.68%
Sub-Total (B)(2):-	—	860,000	860,000	10.55%	—	860,000	860,000	8.68%	(1.87) %
Total Public Shareholding (B)=(B)(1) + (B)(2)	—	860,000	860,000	10.55%	—	860,000	860,000	8.68%	(1.87) %
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	—	8,149,300	8,149,300	100%	—	9,907,748	9,907,748	100%	-

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	1809550	22.20%	—	2106750	21.26%	—	(0.94)%
2.	Mr. Vikram Jain	1214600	14.90%	—	1214600	12.26%	—	(2.64)%
3.	Mr. Ummedmal Jain	881350	10.82%	—	1165350	11.76%	—	0.94%
4.	Mrs. Anita Jain	443550	5.44%	—	583550	5.89%	—	0.45%
5.	Mrs. Vinita Jain	631200	7.75%	—	631200	6.37%	—	(1.38)%
6.	Mrs. Kanta Devi Jain	941050	11.55%	—	941050	9.50%	—	(2.05)%
7.	Siddhartha Jain	20000	0.25%	—	20000	0.20%	—	(0.05)%
8.	Aditya Jain	-	-	—	12000	0.12%	—	0.12%
9.	M/s Vikram Jain HUF	63500	0.78%	—	77500	0.78%	—	-
10.	M/s Gautam Jain HUF	60950	0.75%	—	438398	4.42%	—	3.67%
11.	M/s Ummedmal Jain HUF	123550	1.52%	—	331150	3.34%	—	1.82%
12.	M/s Link Line Marketing Private Limited	225000	2.76%	—	549200	5.54%	—	2.78%
13.	M/s Jatinder Finance Private Limited	345000	4.23%	—	345000	3.48%	—	(0.75)%
14.	M/s Vedika IT Solution Private Limited	225000	2.76%	—	327000	3.30%	—	0.54%
15.	M/s D.P.S. Computers & Allied Products Private Limited	225000	2.76%	—	225000	2.27%	—	(0.49)%

16.	Vedika Agro Mart Private Limited	80000	0.98%	—	80000	0.81%	—	(0.17)%
	TOTAL	7309300	89.45%	—	9047748	91.32%	—	1.87%

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.	DIGIT	-	-	6,42,500	6.48%
2.	Gautam Jain Family Welfare Trust	-	-	1,07,000	1.08%
3.	Vikram Jain Family Welfare Trust	-	-	1,10,500	1.12%

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	Date	No. of Shares	No. of Shares	% of total Shares of the Company
1.	Mr. Gautam Jain	18,09,550	22.20%	15 th July, 2016	1,20,000	21,06,750	21.26%
				25 th July, 2016	1,48,000		
				03 rd September, 2016	29,200		
2.	Mr. Vikram Jain	12,14,600	14.90%	—	—	12,14,600	12.26%
3.	Mr. Ummedmal Jain	8,81,350	10.82%	25 th July, 2016	24,000	11,65,350	11.76%

				10 th August, 2016	2,60,000		
4.	Mr. Pravin Kumar Chaturvedi	—	—	—	—	—	—
5.	Mr. Vinod Kumar Gupta	—	—	—	—	—	—
6.	Mr. Ramanathan Annamalai	—	—	—	—	—	—
7.	Mr. Gaurav Kumar Vohra	—	—	—	—	—	—
8.	Mr. Abhishek Agarwal	—	—	—	—	—	—
TOTAL		3,905,500	47.92%	—	—	44,86,700	45.28%

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	76,16,04,729.45	—	—	76,16,04,729.45
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	76,16,04,729.45	—	—	76,16,04,729.45
Change in Indebtedness during the financial year				
* Addition	2,52,44,203.56	10,00,00,000	—	12,52,44,203.56
* Reduction	—	—	—	—
Net Change	2,52,44,203.56	10,00,00,000	—	12,52,44,203.56

Indebtedness at the end of the financial year				
i) Principal Amount	73,63,60,525.89	10,00,00,000	—	83,63,60,525.89
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	73,63,60,525.89	10,00,00,000	—	83,63,60,525.89

VI. 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	—	—	—
	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)	—	—	—
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B. Remuneration to other directors

S.N.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors		
	Fee for attending board meetings	Vinod Kumar Gupta	2,10,000
	Commission	—	—
	Others, please specify (Committee Meetings)	—	—
	Total (1)		2,10,000
2.	Other Non-Executive Directors		
	Fee for attending board committee meetings	Pravin Kumar Chaturvedi	25,500
	Commission	—	—
	Others, please specify Professional Fees	Pravin Kumar Chaturvedi	1,98,000
	Total (2)		25,500
	Total (B)= (1+2)		4,33,500
	Total Managerial Remuneration		4,33,500

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:	—	3,00,000	4,80,000	7,80,000
	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)	—	—	—	—
	Total	—	3,00,000	4,80,000	7,80,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)

A. COMPANY					
Penalty	NIL	—	—	—	—
Punishment	NIL	—	—	—	—
Compounding	NIL	—	—	—	—
B. DIRECTORS					
Penalty	NIL	—	—	—	—
Punishment	NIL	—	—	—	—
Compounding	NIL	—	—	—	—
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	—	—	—	—
Punishment	NIL	—	—	—	—
Compounding	NIL	—	—	—	—

For Vedika Credit Capital Ltd

Sd/-

Sd/-

Managing Director
(GAUTAM JAIN)
DIN: 00367524

Director
(VIKRAM JAIN)
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	Vinita Jain	Anita Jain
2.	Nature of relationship	Wife of Mr. Vikram Jain, Director	Wife of Mr. Gautam Jain, Director
3.	Nature of contracts/ arrangements/ transactions	Salary	Salary
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	3,25,000	3,00,000
5.	Date(s) of approval by the Board	12 th April, 2016	12 th April, 2016
6.	Amount paid as advances, if any	NIL	NIL

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

Sd/-

Sd/-

Managing Director
(GAUTAM JAIN)
DIN: 00367524

Director
(VIKRAM JAIN)
DIN:00367570

ANNEXURE- III

DECLARATION OF INDEPENDENCE

Date: 24/05/2017

To
The Board of Directors
Vedika Credit Capital Ltd
20, Mullick Street, 2nd Floor,
Kolkata- 700007

Sub: Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.

I, **Mr. Ramanathan Annamalai** S/o Periannan Annamalai, residing at 28 Tensi Ngr 18th ST, Velachery, Chennai, Tamilnadu - 600042, hereby certify that I am a Non-executive Independent Director of Vedika Credit Capital Ltd, Kolkata and comply with all the criteria of independent director as envisaged in the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;

- Apart from receiving director sitting fees/ remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding Financial Years or during the current financial year;
- None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding Financial Years or during the current Financial Year;
- Neither me nor any of my relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three Financial Years immediately preceding the financial year;
 - b) is or has been an employee or proprietor or a partner, in any of the three Financial Years immediately preceding the financial year of;
 - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; **or**
 - b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - c) holds together with my relatives 2% or more of the total voting power of the company; or

- d) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
 - I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said informations are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking You.
Yours faithfully,

Sd/-

(Ramanathan Annamalai)
DIN: 02645247

DECLARATION OF INDEPENDENCE

Date: 24/05/2017

To
The Board of Directors
Vedika Credit Capital Ltd
20, Mullick Street, 2nd Floor,
Kolkata- 700007

Sub: Declaration of independence under sub-section (6) of section 149 of the Companies Act, 2013.

I, **Mr. Vinod Kumar Gupta** S/o Ram Prakash Gupta, residing at 202, White House Apartment, Rohini Sector- 13, Delhi - 110085, hereby certify that I am a Non-executive Independent Director of Vedika Credit Capital Ltd, Kolkata and comply with all the criteria of independent director as envisaged in the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees/ remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate

company, or their promoters, or directors, during the two immediately preceding Financial Years or during the current financial;

- None of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding Financial Years or during the current Financial Year;
- Neither me nor any of my relatives:
 - a) holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three Financial Years immediately preceding the financial year;
 - b) is or has been an employee or proprietor or a partner, in any of the three Financial Years immediately preceding the financial year of;
 - a. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; **or**
 - b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - c) holds together with my relatives 2% or more of the total voting power of the company; or
 - d) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or

associate company or that holds 2% or more of the total voting power of the company; or

- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking You.

Yours faithfully,

Sd/-

(Vinod Kumar Gupta)

DIN: 07542696

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 **VEDIKA CREDIT CAPITAL LTD**, which comprise the Balance Sheet as at March 31, 2017, 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 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, 2017, 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.
- iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealing in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016 and these are in accordance with the books of Accounts maintained by the Company.

For and on behalf of

K C TAK & CO.

Chartered Accountants

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

Sd/-

RAJIV TAK

Partner

Membership number: **073716**

Place: Ranchi

Date:24.06.2017

“Annexure A” to the Independent Auditors' Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) There is no immovable property (hence no title deed) held in the name of the company.
- 2) The Company does not have any stock of raw materials, stores, spare parts, finished goods and therefore clause i (a) & (b) are not applicable.
- 3) The Company has not granted loans companies, firms, LLPs or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (‘the Act’).
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 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, 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.
- In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowing to a financial institution, bank, government or dues to debenture holders.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the 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;

- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has made preferential allotment or private placement of shares, both Equity and 9% Convertible Preference Shares during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order have been complied with by the Company and the amount raised has been used for the purposes for which the funds were raised.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 as an NBFC-MFI and accordingly, the registration has been obtained.

For and on behalf of

K C TAK & CO.

Chartered Accountants

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

Sd/-

RAJIV TAK

Partner

Membership number: **073716**

Place: Ranchi

Date: 24.06.2017

“Annexure B” to the Independent Auditor's Report of even date on the Financial Statements of Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") of VEDIKA CREDIT CAPITAL LIMITED

We have audited the internal financial controls over financial reporting of **VEDIKA CREDIT CAPITAL LIMITED** as of March 31, 2017 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 management of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI").

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such

controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in

conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For and on behalf of

K C TAK & CO.

Chartered Accountants

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

Sd/-

RAJIV TAK

Partner

Membership number: **073716**

Place: Ranchi

Date: 24.06.2017

Balance Sheet as on 31st March, 2017

VEDIKA CREDIT CAPITAL LIMITED			
Balance Sheet as at 31st March, 2017			
Particulars	Note No.	As at 31 st March, 2017	As at 31 st March, 2016
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	3	177,227,480.00	139,643,000.00
Reserves and Surplus	4	180,768,579.33	128,347,070.90
		357,996,059.33	267,990,070.90
Non-Current Liabilities			
Long-Term Borrowings	5	836,360,525.89	761,604,729.45
Deferred Tax Liability		-	-
Other Long-Term Liabilities		-	-
Long-Term Provisions	6	21,095,448.45	13,881,852.13
		857,455,974.34	775,486,581.58
Current Liabilities			
Short-Term Borrowings		-	-
Trade Payables		-	-
Other Current Liabilities	7	1,328,408,217.17	738,737,332.70
Short-Term Provisions	8	24,233,836.14	9,619,267.78

		1,352,642,053.31	748,356,600.48
TOTAL		2,568,094,086.98	1,791,833,252.96
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9	9,854,891.50	7,398,658.50
Intangible Assets	10	311,063.85	767,371.85
Capital Work In Progress			
		10,165,955.35	8,166,030.35
Non-Current Investment		-	-
Deferred Tax Assets	11	6,589,934.46	(320,946.97)
Long-Term Loans and Advances	12	791,356,863.00	627,654,062.00
Other Non-Current Assets		-	-
		808,112,752.81	635,499,145.38
CURRENT ASSETS			
Current Investments	13	-	1,033,530.61
Cash and Cash Equivalents	14	418,580,467.86	387,132,119.21
Short-Term Loans Advances	15	13,757,423.76	7,371,377.76

Other Current Assets	16	1,327,643,442.55	760,797,080.00
		1,759,981,334.17	1,156,334,107.58
TOTAL		2,568,094,086.98	1,791,833,252.96

Notes 1-34 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

Managing Director

Sd/-

Vikram Jain

Director

Sd/-

Rajiv Tak

Partner

Mem No. 073716

Place: Ranchi

Date: 24-06-2017

Sd/-

Abhishek Agarwal

CFO

Sd/-

Gaurav Kumar Vohra

Company Secretary

Statement of Profit & Loss for the year ended 31st March, 2017

VEDIKA CREDIT CAPITAL LIMITED			
Statement of Profit and Loss for the Year Ended 31st March, 2017			
Particulars	Note No	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
REVENUE			
Revenue from Operations	17	485,326,067.07	299,870,285.00
Other Income	18	522,000.00	6,973,988.61
		485,848,067.07	306,844,273.61
EXPENSES			
Employee Benefits Expenses	19	81,419,749.00	40,835,650.00
Finance Costs	20	296,904,756.57	201,291,895.13
Provisions and Write Offs	21	7,213,596.32	5,686,630.73
Depreciation and Amortization Expense	9-10	2,435,253.00	1,480,473.51
Other Expenses	22	54,880,738.82	34,776,605.82
TOTAL EXPENSES		442,854,093.71	284,071,255.19
Profit/ (Loss) before exceptional and extraordinary items and tax (3-4)		42,993,973.36	22,773,018.42

Exceptional items	22.1	1,000,000.00	-
Tax Expense			
Current Tax		16,736,510.00	8,514,900.00
Deferred Tax	11	(6,910,881.43)	780,190.52
Net Tax Expense		9,825,628.57	9,295,090.52
Profit After Tax for the year		34,168,344.79	13,477,927.90
Earnings Per Equity Share. Face Value - Rs.10 each			
- Basic	26	3.70	1.90
- Diluted		2.67	1.68
Notes 1-34 form an integral part of the Financial Statements			

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

For and on Behalf of **Board of Directors**

Sd/-
Gautam Jain
Managing Director

Sd/-
Vikram Jain
Director

Sd/-
Rajiv Tak
Partner
Mem No. 073716
Place: Ranchi
Date: 24-06-2017

Sd/-
Abhishek Agarwal
CFO

Sd/-
Gaurav Kumar Vohra
Company Secretary

Vedika Credit Capital Limited
Cash Flow Statement for the Year Ended 31 March 2017

Particulars	For The Year Ended 31 March 2017	For The Year Ended 31 March 2016
A.Cash Flow From Operating Activities		
Profit Before Interest & Tax	340,898,729.93	224,064,913.55
Depreciation and Amortisation Expense	2,435,253.00	1,480,473.51
Contigent Provision For Standard Receivables		
Provision For Sub-Standard and Doubtful Receivables under Financing Activities (Net)		
Provision For Credit Enhancements on Assets De- Recongnised (Net)		

Loss Assets Written Off (Net)		
Prompt Payment Rebate (Net)		
Provision For Doubtful Employee Loans/ Insurance Claim (Net)		
Finance Costs	(296,904,756.57)	(201,291,895.13)
Interest Income On Deposits With Banks / Others	(33,489,375.00)	(15,995,156.80)
Dividend Income		(1,539,350.54)
Interest Income On Pass Through Certificates		
Interest Income On Loans / Deposit to Related Parties		
Interest Income On Loans to Employees		
Interest Spread on Securitisation / Assignment of Receivables (Net)		
Gain On Sale Of Current Investment (Net)		
Profit/(Loss) On Sale Of Fixed Assets (Net)		230,107.65
Operating Profit Before Changes In Working Capital	12,939,851.36	6,949,092.24
<u>Changes In Working Capital :</u>		
Adjustment For (Increase) / Decrease In Operating Assets :		
Long - Term Receivables Under Finance Activities	-	
Long - Term Loans and Advances	(163,702,801.00)	(143,651,489.00)
Short - Term Receivables Under Financing Activities	-	
Short - Term Loans and Advances	(6,386,046.00)	(428,961,789.00)
Other Current Assets & Non Current Assets	(566,846,362.55)	(194,962.00)

Bilateral Assignment and Securitisation of Assets (Net)	-	
Adjustment For Increase / (decrease) in Operating Liabilities :		
Other Long - Term Liabilities		
Long - Term Provision	7,213,596.32	
Trade Payables		
Other Current Liabilities	589,670,884.47	517,112.00
Short - Term Provision	5,361,717.31	5,699,977.73
Cash Flow Used In Operations	(121,749,160.09)	(559,642,058.03)
Service Tax Paid (VCES)		
Late Fine on TDS	(1,730.00)	(3,920.00)
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		(69,744.00)
Direct Taxes Paid	(9,199,679.00)	(2,424,800.00)
	(130,950,569.09)	(562,178,642.03)
Net Cash Flow Used In Operations		
B.Cash Flow From Investing Activities		
Capital Expenditure Including Capital Advances	(4,435,178.00)	(5,249,991.00)
Proceeds From Sale Of Fixed Assets		50,000.00
Bank Deposits not Considered as Cash and Cash Equivalents (Net)		
(Increase)/ Decrease in Long Term Loans & Advances		
Purchase Of Current Investments (Net)	1,033,530.61	(547,640.61)
Interest Received	33,489,375.00	15,995,156.80
Dividend Received	-	1,539,350.54

Net Cash Flow (Used In) / From Investing Activities		
	30,087,727.61	11,786,875.73

Vedika Credit Capital Limited		
Cash Flow Statement for the Year Ended 31 March 2017		
Particulars	For The Year Ended 31 March 2017	For The Year Ended 31 March 2016
C. Cash Flow from Financing Activities		
Long-Term Borrowings Taken	74,755,796.44	377,736,094.38
Long-Term Borrowings Repaid		
Short-Term Borrowings Taken /(Repaid)		273,764,152.87
Shares Issued	37,584,480.00	69,298,000.00
Dividend Paid	(6,229,206.31)	(867,489.00)
Corporate Dividend tax Paid	(176,600.00)	
Security Premium	26,376,720.00	16,722,000.00
Net Cash Flow From Financing Activities	132,311,190.13	736,652,758.25
Net (Decrease)/Increase in Cash and Cash Equivalents (A)+(B)+(C)	31,448,348.65	186,260,991.95

Cash and Cash Equivalents at the Beginning of the Year	387,132,119.21	200,871,127.26
Cash and Cash Equivalents at the End of the Year	418,580,467.86	387,132,119.21

Note :

(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 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

Managing Director

Sd/-

Vikram Jain

Director

Rajiv Tak

Partner

Sd/-	Sd/-	Mem No. 073716
Abhishek Agarwal	Gaurav Kumar Vohra	Place: Ranchi
CFO	Company Secretary	Date: 24.06.2017

Notes forming part of the Financial Statements for the year ended 31st March, 2017

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 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 - 5 Years

Plant & Machinery- 15 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.

2.8 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
Non Performing Assets (NPA)	
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	
Non-Performing Assets (NPA)	The Company follows RBI Guidelines in this regard.
Sub-Standard Assets	
Overdue for 30 days and more but less than 60 days	
Overdue for 60 days and more but less than 90 days	
Doubtful Assets	
Doubtful Assets – Overdue for 90 days and more but less than 120 days	
Doubtful Assets – Overdue for 120 days and more	
Loss Assets	

(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 31st March, 2017

Particulars	As at 31 st March, 2017		As at 31 st March, 2016	
	No. of Shares	Rs.	No. of Shares	Rs.
3. Share Capital				
(a) Authorized				
Equity shares of Rs. 10 each	1,70,00,000	17,00,00,000.00	10,000,000	100,000,000.00
Preference shares of Rs. 10 each	80,00,000	8,00,00,000.00	7,000,000	70,000,000.00
(b) Issued, Subscribed and Fully Paid- up				
Equity shares of Rs. 10 each	99,07,748	9,90,77,480.00	8,149,300	81,493,000.00
8,14,930 Equity Shares	78,15,000	7,81,50,000.00		
Preference shares of Rs. 10 each			5,815,000	58,150,000.00
	1,77,22,748	17,72,27,480.00	13,964,300	139,643,000

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

Particulars	As at 31 st March, 2017		As at 31 st March, 2016	
	No. of Shares	Rs.	No. of Shares	Rs.
Equity Shares				
At the Beginning of the Year	81,49,300	8,14,93,000.00	7,034,500	70,345,000.00
Issued during the year	17,58,448	1,75,84,480.00	1,114,800	11,148,000.00
Outstanding at the End of the Year	99,07,748	9,90,77,480.00	8,149,300	81,493,000.00
Optionally Convertible Preference Shares				
At the Beginning of the Year	58,15,000	5,81,50,000.00	-	-
Issued during the Year	20,00,000	2,00,00,000.00	5,815,000	58,150,000.00
Outstanding at the End of the Year	78,15,000	7,81,50,000.00	5,815,000	58,150,000.00

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

Particulars	As at 31 st March, 2017		As at 31 st March, 2016	
	No. of Shares	% held	No. of Shares	% held
1. Gautam Jain Poddar Bagan, Harmu Road Ranchi	21,06,750	21.26	1,809,550	22.20
2. Vikram Jain Poddar Bagan, Harmu Road Ranchi	12,14,600	12.26	1,214,600	14.90
3. Ummedmal Jain Poddar Bagan, Harmu Road Ranchi	11,65,350	11.76	881,350	10.82
4. Kanta Devi Jain Poddar Bagan, Harmu Road Ranchi	9,41,050	9.50	941,050	11.55
5. Anita Jain Poddar Bagan, Harmu Road Ranchi	5,83,550	5.89	443,550	5.44
6. Vinita Jain Poddar Bagan, Harmu Road, Ranchi	6,31,200	6.37	471,200	7.75
7. Linkline Marketing Private Limited Clubtown Estate, Block- 3, Flat No. 1G, 87, Dumdum Road, Kolkata, West Bengal- 700074	5,49,200	5.54	-	-
8. DIGIT 1 st Floor Sita Bhawan, 5 Main Road Ranchi- 834001, Jharkhand	6,42,500	6.48	-	-
TOTAL	78,34,200		5,761,300	

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

Particulars	As at 31st March 2017		As At 31st March 2016	
	No. Of Shares	% held	No. Of Shares	% held
1. SIDBI Doranda Ranchi	30,00,000	38.39	10,00,000	17.20
2. Harsh Vardhan Jain Poddar Bagan, Harmu Road Ranchi	10,00,000	12.80	10,00,000	17.20
3. Rita Jain Poddar Bagan, Harmu Road Ranchi	10,00,000	12.80	10,00,000	17.20
4. Gautam Jain Poddar Bagan, Harmu Road Ranchi	8,00,000	10.24	14,85,000	25.54
5. Vedika Financial Service Poddar Bagan, Harmu Road Ranchi	6,85,000	8.77		
6. Umeed Mal Jain Poddar Bagan, Harmu Road Ranchi	6,70,000	8.57	6,70,000	11.52
7. Nirmal Kumar Pradeep Kumar HUF	5,00,000	6.40	5,00,000	8.60
	76,55,000		56,55,000	

3.4 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 6 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.

VEDIKA CREDIT CAPITAL LTD.

Notes forming part of the Financial Statements for the Year ended 31st March, 2017

Particulars		As at 31-Mar-17	As at 31-Mar-16
4	Reserves and Surplus		
	Securities Premium Account		
	Opening Balance	9,10,24,000.00	7,43,02,000.00
	Add : Premium on shares issued during the year	2,63,76,720.00	1,67,22,000.00
	Closing Balance	11,74,00,720.00	9,10,24,000.00
	Statutory Reserve		
	Opening Balance	80,99,961.47	54,04,375.89
	Add: Amount Transferred during the Year from Surplus in		

the Statement of Profit and Loss	68,33,668.96	26,95,585.58
Closing Balance	1,49,33,630.43	80,99,961.47
General Reserve		
Opening Balance	1,69,29,049.59	1,69,98,793.59
Less: Interest on Income tax	6,21,347.00	69,744.00
Less: Transferred to Statutory Reserve	-	-
Closing Balance	1,63,07,702.59	1,69,29,049.59
Surplus in the Statement of Profit and Loss		
Opening Balance	1,22,94,059.84	25,94,693.30
Add: Profit After Tax for the Year	3,41,68,344.79	1,34,77,927.90
Less: Late filing of TDS	1,730.00	3,920.00
Less: Interest On CDT	3,153.22	
Less: Income Tax		38,120.00
Less: Appropriations		
Less: Dividend (net) on Preference Shares	52,38,431.51	8,67,489.00
Less: Dividend Distribution Tax	12,68,119.83	1,73,446.78
Less: Dividend (net) on Equity Shares	9,90,774.80	
Less: Service Tax		
- Transfer to Statutory Reserve	68,33,668.96	26,95,585.58
Net Surplus in the Statement of Profit and Loss	3,21,26,526.31	1,22,94,059.84
	18,07,68,579.33	12,83,47,070.90

Particulars		As at 31-Mar-17	As at 31-Mar-16
5	Long-Term Borrowings		
	Term Loans - Secured		
	From Banks	30,13,07,206.00	29,38,48,282.00
	From Other Parties	53,50,53,319.89	46,77,56,447.45
	Subdebts	10,00,00,000.00	0.00
		83,63,60,525.89	76,16,04,729.45

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.

VEDIKA CREDIT CAPITAL LTD.Notes forming part of the Financial Statements for the Year ended 31st March, 2017

Particulars		As at 31-Mar-17	As at 31-Mar-16
6	Long Term Provision		
	Provision for all Receivables under Financing Activities	2,10,95,448.45	1,38,81,852.13
		2,10,95,448.45	1,38,81,852.13

Particulars		As at 31-Mar-17	As at 31-Mar-16
7	Other Current Liabilities		
	Statutory Duties payable	20,19,246.30	10,80,798.83
	Maturities of Long Term Borrowings :		
	From Banks	39,71,65,186.00	29,96,14,546.19
	From Other Parties	82,71,53,858.92	43,75,20,002.68
	Other Payables	10,20,69,925.95	5,21,985.00
		1,32,84,08,217.17	73,87,37,332.70

Particulars		As at 31-Mar-17	As at 31-Mar-16
8	Short-Term Provisions		

Provision -Income Tax	1,67,36,510.00	85,78,332.00
Provision -Corporate Dividend Tax	12,68,119.83	1,73,446.78
Provision -For Dividend	62,29,206.31	8,67,489.00
	2,42,33,836.14	96,19,267.78

VEDIKA CREDIT CAPITAL LIMITED

Notes forming part of the financial statements for the year ended 31st March 2017

9 Tangible Assets

Particulars	Gross Block			Depreciation				Net Block		
	As On April 1, 2016	Additions	Deletion	As On March 31, 2017	As On April 1, 2016	For The Year	Amortised during the year	Total March 31, 2017	As On March 31, 2017	As On March 31, 2016
Air Conditioner	5,02,748.00	47,000.00		5,49,748.00	1,68,047.83	27,049.00		1,95,096.83	3,54,651.17	3,34,700.17
Battery	1,85,162.00			1,85,162.00	57,548.54	10,285.00		67,833.54	1,17,328.46	1,27,613.46
Biometric Machine		62,335.00		62,335.00		24.00		24.00	62,311.00	-
Car	24,35,964.72			24,35,964.72	10,03,122.20	2,05,536.00		12,08,658.20	12,27,306.52	14,32,842.52
Computer	55,28,628.70	17,58,384.00		72,87,012.70	33,99,561.24	12,48,792.00		46,48,353.24	26,38,659.46	21,29,067.46
Door Lock Machine	68,562.00			68,562.00	10,762.58	15,224.00		25,986.58	42,575.42	57,799.42
Fire Extinguisher		3,100.00		3,100.00		102.00		102.00	2,998.00	-
Fridge	73,200.00	10,300.00		83,500.00	54,785.08	1,968.00		56,753.08	26,746.92	18,414.92
Furniture & Fixture	34,44,564.00	17,37,280.00		51,81,844.00	10,09,244.15	3,44,564.00		13,53,808.15	38,28,035.85	24,35,319.85
Generator	59,051.00			59,051.00	35,230.93	1,736.00		36,966.93	22,084.07	23,820.07
Invertor		3,43,422.00		3,43,422.00		2,863.00		2,863.00	3,40,559.00	-
Mobile Phone	5,83,563.00	1,42,499.00		7,26,062.00	2,73,716.16	34,990.00		3,08,706.16	4,17,355.84	3,09,846.84
Music System	48,440.00			48,440.00	25,672.20	2,261.00		27,933.20	20,506.80	22,767.80
Office Renovation Projector LCD		5,341.00		5,341.00		58.00		58.00	5,283.00	-

	89,000.00			89,000.00	48,283.28	2,966.00		51,249.28	37,750.72	40,716.72
Printer		66,300.00		66,300.00		221.00		221.00	66,079.00	-
Safe	3,76,828.00			3,76,828.00	2,50,127.09	35,953.00		2,86,080.09	90,747.91	1,26,700.91
Water Heater	11,500.00			11,500.00	8,387.70	282.00		8,669.70	2,830.30	3,112.30
Electrical Appliances	95,460.00			95,460.00	20,504.51	5,543.00		26,047.51	69,412.49	74,955.49
CCTV Camera	35,922.00			35,922.00	14,707.53	2,158.00		16,865.53	19,056.47	21,214.47
Camera	76,400.00			76,400.00	48,081.57	2,722.00		50,803.57	25,596.43	28,318.43
DVD Player	3,000.00			3,000.00	1,674.29	131.00		1,805.29	1,194.71	1,325.71
Television Set	1,66,600.00			1,66,600.00	65,424.42	10,316.00		75,740.42	90,859.58	1,01,175.58
Utensils	40,013.00			40,013.00	36,432.02	527.00		36,959.02	3,053.98	3,580.98
Cycle	37,126.00			37,126.00	18,964.72	8,153.00		27,117.72	10,008.28	18,161.28
Pureit Water Filter	41,329.00	4,150.00		45,479.00	25,354.18	3,654.00		29,008.18	16,470.82	15,974.82
Server System	3,30,670.00			3,30,670.00	3,14,136.50			3,14,136.50	16,533.50	16,533.50
Motorcycle	55,000.00			55,000.00	304.20	7,421.00		7,725.20	47,274.80	54,695.80
Commercial Gas Cylinder		2,43,689.00		2,43,689.00		3,213.00		3,213.00	2,40,476.00	-
Telephone		11,378.00		11,378.00		233.00		233.00	11,145.00	-
				-						
Total	1,42,88,731.42	44,35,178.00	-	1,87,23,909.42	68,90,072.92	19,78,945.00	-	88,69,017.92	98,54,891.50	73,98,658.50
Previous Year	98,15,579.07	47,53,260.00	2,80,107.65	1,42,88,731.42	57,75,601.02	11,14,471.93		68,90,072.95	73,98,658.47	40,39,978.05

10 Intangible Assets

Particulars	Gross Block			Depreciation				Net Block		
	As On April 1, 2016	Additions	Deletion	As On March 31, 2017	As On April 1, 2016	For The Year	Amortised during the year	Total March 31, 2017	As On March 31, 2017	As On March 31, 2016
Computer Software	27,87,245.00			27,87,245.00	20,19,873.15	4,56,308.00		24,76,181.15	3,11,063.85	7,67,371.85
Total	27,87,245.00	-	-	27,87,245.00	20,19,873.15	4,56,308.00	-	24,76,181.15	3,11,063.85	7,67,371.85
Previous Year	22,90,514.00	4,96,731.00	-	27,87,245.00	16,53,871.57	3,66,001.58		20,19,873.15	7,67,371.85	6,36,642.43

As per our report of event date

For and on behalf of the Board of Directors of
VEDIKA CREDIT CAPITAL LIMITED

For K.C. TAK & CO.
Chartered Accountants
Firm Registration No.: 000216C

Sd/-

Sd/-

Rajiv Tak
Partner
Membership No. 073716
Place: Ranchi
Date: 24-06-2017

Managing Director: Gautam Jain

Sd/-

Director : Vikram Jain

VEDIKA CREDIT CAPITAL LTDNotes forming part of the Financial Statements for the Year ended 31st March, 2017**Deferred Tax Assets /(Liabilities)**

The Deferred Tax Asset has Arisen On Account Of the Following :

	Particulars	As at 01-Apr-16	Credit / (Charged)	As at 31-Mar-17
11	Deferred Tax Assets/(Liabilities)			
	Difference between depreciation as per Books of Account and Income Tax Act, 1961	(3,20,946.97)	(65,085.18)	(3,86,032.15)
	Contingent Provision all Assets under Financing Activities	-	69,75,966.61	69,75,966.61
	Employee Benefits	-	-	-
	Others	-	-	-
	Deferred Tax Assets	(3,20,946.97)	69,10,881.43	65,89,934.46

Note: The actual provision for Deffered Tax amounted to Rs. 23,58,026.75 for the Financial Year 2015-16. However, adjustment to the extent of Rs.45,52,854.68 being short provision of earlier years has been made to arrive at the closing figure of Rs. 69,10,881.43

Particulars		As at 31-Mar-17	As at 31-Mar-16
12	Long-Term Loans and Advances		
	Loan To Customers		
	Secured, Considered Good	79,13,56,863.00	62,76,54,062.00
		79,13,56,863.00	62,76,54,062.00

Particulars		As at 31-Mar-17	As at 31-Mar-16
13	Current Investments (At cost)		
	Investment in Mutual Funds		
	HDFC Liquid Fund	-	10,33,530.61
		-	10,33,530.61

Particulars		As at 31-Mar-17	As at 31-Mar-16
14	Cash and Cash Equivalents		
	Cash on Hand Balances with Banks		
	In Cash	12,09,400.00	-
	- In Current Accounts	10,33,07,253.86	17,02,14,096.21
	- In Deposits Accounts - Under Lien (Refer Note (b))	31,40,63,814.00	21,69,18,023.00
	41,85,80,467.86	38,71,32,119.21	

VEDIKA CREDIT CAPITAL LTD.Notes forming part of the Financial Statements for the Year ended 31st March, 2017

Particulars		As at 31-Mar-17	As at 31-Mar-16
15	Short Term Loans and Advances		
	Prepaid Expenses - Unsecured, Considered Good	2,94,887.00	11,34,215.00
	Deposits -Unsecured, Considered Good	15,24,443.00	5,76,487.00
	Balances with Government Authorities - Unsecured, Considered Good	1,19,38,093.76	56,60,675.76
		1,37,57,423.76	73,71,377.76

Particulars		As at 31-Mar-17	As at 31-Mar-16
16	Other Current Assets		
	Advance Tax	60,00,000.00	-
	Loan to Customers Receivable within 365 days	1,31,81,87,981.55	76,05,31,151.00
	Other Advance	26,74,336.00	2,34,725.00
	Receivables From Employees	7,81,125.00	31,204.00
		1,32,76,43,442.55	76,07,97,080.00

VEDIKA CREDIT CAPITAL LTD.

Notes forming part of the Financial Statements for the Year ended 31st March, 2017

Particulars	For The Year Ended 31 March 2017	For The Year Ended 31 March 2016
17 Revenue from Operations		
Interest Income from Loans & Processing Income	44,49,21,110.47	27,89,39,676.20
Other Operating Revenues		
- Interest Income on Fixed Deposits with Banks / Others	3,34,89,375.00	1,59,95,156.80
- Misc Receipts	69,15,581.60	49,35,452.00
Total	48,53,26,067.07	29,98,70,285.00
Particulars	For The Year Ended 31 March 2017	For The Year Ended 31 March 2016
18 Other Income		
Interest Income		
- on Loans / Deposits to Related Parties	-	53,00,889.00
Miscellaneous Income	5,22,000.00	1,33,749.07
Dividend Income	-	15,39,350.54
Total	5,22,000.00	69,73,988.61

VEDIKA CREDIT CAPITAL LTDNotes forming part of the Financial Statements for the Year ended 31st March, 2017

Particulars	For The Year Ended 31 March 2017	For The Year Ended 31 March 2016
19 Employee Benefit Expense		
Salaries & Stipend	6,95,60,421.00	3,79,53,962.00
Staff Welfare Expenses	10,48,841.00	2,02,500.00
Incentives	1,08,10,487.00	26,79,188.00
Total	8,14,19,749.00	4,08,35,650.00

Particulars	For The Year Ended 31 March 2017	For The Year Ended 31 March 2016
20 Finance Costs		
Interest on Loans	26,69,37,918.37	18,48,93,231.13
Loan Processing Fees and Other Borrowing Costs	2,99,66,838.20	1,63,98,664.00
Total	29,69,04,756.57	20,12,91,895.13

Particulars	For The Year Ended 31 March 2017	For The Year Ended 31 March 2016
21 Provisions and Write Offs		
Contingent Provision for Standard, Sub-standard and Doubtful Receivables Under Financing Activities	72,13,596.32	56,86,630.73
<i>(Kindly please refer Note 27 & 28)</i>		-
Total	72,13,596.32	56,86,630.73

VEDIKA CREDIT CAPITAL LTD.

Notes forming part of the Financial Statements for the Year ended 31st March, 2017

Particulars	For The Year Ended 31 March 2017	For The Year Ended 31 March 2016
22 Other Expenses		
Loss on sale of Car	-	2,30,107.62
Commission	94,16,314.00	98,93,500.00
Rent	65,61,347.00	48,82,861.00
Electricity Charges	4,54,127.00	2,89,493.00
Insurance		

	10,62,124.00	10,61,831.00
Software & Other Maintenance Expenses	13,15,576.00	3,39,180.00
Repairs and Maintenance	9,70,805.00	14,50,936.00
Administration Expenses	20,00,999.42	14,62,131.00
Travelling and Conveyance	28,62,810.00	22,25,079.00
Telephone and Internet Expenses	17,85,550.00	13,92,874.47
Printing , Stationery and Postage	16,53,803.00	13,44,516.00
Advertisement and Business Promotion Expenses	12,76,642.00	9,20,886.00
Stamping, Professional and Membership Fees	80,98,182.00	26,79,801.87
Auditors' Remuneration	3,50,281.00	1,53,317.00
Bad Debts	1,29,15,429.00	31,31,680.00
Miscellaneous Expenses	19,95,116.53	22,80,023.00
Tax Expenses	4,99,000.00	-
Bank Charges	14,27,132.87	10,38,388.86
Sitting Fee	2,35,500.00	-
Total		

	5,48,80,738.82	3,47,76,605.82
Particulars	For The Year Ended 31 March 2017	For The Year Ended 31 March 2016
22.1 Exceptional Item		
Income under PMGKY	10,00,000.00	-
Total	10,00,000.00	-

23. Employees Benefits

23.1 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. 45,16,798 (Previous Year: 29,18,726) 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.

24. 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".

VEDIKA CREDIT CAPITAL LTD.

Notes forming part of the Financial Statements for the Year ended 31st March, 2017

25 Related Party Transactions

25.1 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. 16th 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 Insights Merchant Private Limited Vedika IT Solutions Private Limited DPS Computers & Allied Products Private Limited

Note:

Related Party relationships are as identified by the Management.

25.2 Transactions with the Related Parties

Name of the related party	Nature of transactions	For the Year ended 31 March 2017	For the Year ended 31 March 2016
Vikram Jain	Salary	-	6,72,000.00
Ummed Mal Jain	Salary	-	4,80,000.00
Vinita Jain	Salary	3,25,000.00	3,00,000.00
Anita Jain	Salary	3,00,000.00	3,00,000.00
Kanta Devi Jain	Rent		2,50,000.00
Jatinder Finance Private Limited	Unsecured Loan Outstanding	-	3,32,89,962.00

Balances with related parties

Name of the related party	Nature of transactions	Receivable / (Payable) as at 31 March 2017	Receivable / (Payable) as at 31 March 2016
Jatinder Finance Private Limited	Unsecured loan	-	3,32,89,962.00

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

VEDIKA CREDIT CAPITAL LTD

Notes forming part of the Financial Statements for the Year ended 31st March, 2017

26 Earning Per Share

Particulars	Note No.	For The Year Ended 31 March 2017	For The Year Ended 31 March 2016
Profit after Tax - Rs. In Lakhs		34,168,344.79	13,477,927.90
Weighted average Number of Equity Shares (Nos.)	26.1	9,235,009.00	7,075,669.57
Earning Per Share			
- Basic - in Rs.	26.2	3.70	1.90
- Diluted - in Rs.	26.2	2.67	1.68
Face Value Per Share - In Rs.		10.00	10.00

26.1**Calculation of Weighted Avg EPS:**

	No of Shares	No of Months of investment	Weighted Avg No.of Shares
	A	B	A*B/12
Opening Balance	8149300	12	8149300
Add : Allotted during the Year			

15.07.2016	120000	8.55	85500
25.07.2016	206000	8.22	141110
10.08.2016	486000	7.69	311445
22.08.2016	399200	7.3	242847
03.09.2016	307648	6.9	176898
17.09.2016	211600	6.44	113559
26.09.2016	28000	6.15	14350
			9235009

26.2 **Calculation of Dilutive EPS**

		Amount of Dilution	Wtd Avg No.Of Shares	Note No.	Ratio
		C	D		=C/D
	Basic	34,168,344.79	9,235,009.00	26.1	3.70
	Incremental EPS (as per calculation below)				
1	Equity	0	0	26.3.1	0
2	Preference=Dividend+Corporate Dividend Tax	6,506,551.34	5981667	26.3.2	1.09
	Total	40,674,896.13	15,216,676.00		2.67

26.3	Incremental EPS on Potential Equity	Amount of Potential share Capital	No.of Potential Equity Shares	No of Months:	Potential Weighted Avg No.of Equity Shares
		E	F=E/10	G	F*G/12
26.3.1	Share Application Money- Equity Receipt in : Allotment in :				

					0
					0
					0
	Total				0
26.3.2.	Preference Shares				
	<u>Receipt in the Month of :</u>				
	Opening Balance	58150000	5815000	12	5815000
	March	20000000	2000000	1	166667
	Total				5981667

VEDIKA CREDIT CAPITAL LTD.

Notes forming part of the Financial Statements for the Year ended 31st March, 2017

27 Loan Portfolio and Provision for Standard and Non Performing Assets**(a) Current Year**

Asset Classification	Loan Outstanding as at 31 March 2017 (Gross)	Provision as at 31 March 2017	Loan Outstanding as at 31 March 2017 (Net)
Receivables under Financing Activities			
Standard Assets	2,06,93,31,919.55		
Sub-Standard Assets	2,45,21,271.00		
Doubtful Assets	1,56,91,654.00		
Total	2,10,95,44,844.55	2,10,95,448.45	2,08,84,49,396.10

**** Note: Provision is made @ 1% on Total Loan Portfolio i.e. 2,10,95,44,844.55*1%=2,10,95,448.45

(b) Previous 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)
Receivables under Financing Activities			
Standard Assets	1,38,44,43,264.00		
Sub-Standard Assets	15,89,951.00		
Doubtful Assets	21,51,998.00		
Total	1,38,81,85,213.00	1,38,81,852.13	1,37,43,03,360.87

**** Note: Provision is made @ 1% on Total Loan Portfolio i.e. $1,38,81,85,213.00 * 1\% = 1,38,81,852.13$

VEDIKA CREDIT CAPITAL LTD.

Notes forming part of the Financial Statements for the Year ended 31st March, 2017

28 Changes in Provisions**(a) Current Year**

Particulars	As at 1 April 2016	Provision for the Year	Utilization/ Reversal	As at 31 March 2017
Contingent Provision for Standard Assets/ Sub-Standard and Doubtful under Financing Activities	1,38,81,852.13	72,13,596.32	-	2,10,95,448.45

Total	1,38,81,852.13	72,13,596.32	-	2,10,95,448.45

(b) Previous Year

Particulars	As at 1 April 2015	Provision for the Year	Utilization/ Reversal	As at 31 March 2016
Contingent Provision for Standard Assets/ Sub-Standard and Doubtful under Financing Activities	81,95,221.40	56,86,630.73	-	1,38,81,852.13
Total	81,95,221.40	56,86,630.73	-	1,38,81,852.13

VEDIKA CREDIT CAPITAL LTD.**Notes forming part of the Financial Statements for the Year ended 31st March, 2017****29 Net Interest Margin during the year:**

Particulars	For the Year ended 31 March 2017	For the Year ended 31 March 2016
Average Interest (a)	19.80%	25.23%
Average effective cost for borrowing Interest (b)	13.61%	19.74%
Net Interest Margin (a-b)	6.19%	5.49%

30 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.67,34,792.48 (Previous Year – Rs. 27,01,968.44), out of the net profit after tax for the year ended 31 March 2017 to Statutory Reserve.

31 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.

32 The Board of Directors have reviewed the realisable 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 recognised in the financial statements.

33 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**

Sd/-
Gautam Jain
Managing Director

Sd/-
Vikram Jain
Director

Sd/-
Abhishek Agarwal
CFO

Sd/-
Gaurav Kumar Vohra
Company Secretary

Place: Ranchi
Date: 24.06.2017

Calculation Of Depreciation As per Income Tax Act

Particulars	Plant & Machinery		Furniture
	15	60	10
Written down value as on 01.04.2016	2,833,759.00	1,683,837.00	2,567,271.00
Addition Before Six months	220,224.00	334,500.00	559,172.00
Addition After Six Months	719,290.00	1,423,884.00	1,178,108.00
Sale			
Total As on 31.03.2017	3,773,273.00	3,442,221.00	4,304,551.00
Depreciation	512,044.00	1,638,167.00	371,550.00
WDV As On 31.03.2017	3,261,229.00	1,804,054.00	3,933,001.00

Depreciation as per Companies Act	2,435,253.00		
Depreciation as per IT. Act	2,521,761.00	Expenses disallowed as per IT Act	
		Provision for Standard Asset Disallowed	7,219,075.30
Difference	(86,508.00)	Difference	7,219,075.30
D.T.A.	(28,599.54)	D.T.A.	2,386,626.29
Add: Opening	(320,946.97)	Add: Opening	
Add: Opening Difference	(36,485.64)	Add: Opening Difference	4,589,340.32
Closing Balance	(386,032.15)	Closing Balance	6,975,966.61

VEDIKA CREDIT CAPITAL LTD.

Notes forming part of the Financial Statements for the Year ended 31st March, 2017

34 Disclosure of Specified Bank Notes (SBN) held and transacted during the period from 08th November 2016 to

30th December 2016

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	27,868,500.00	613,604.00	28,482,104.00
(+) Permitted Receipts	-	293,602,322.00	293,602,322.00
(-) Permitted Payments	-	-	-
(-) Amount deposited in Bank	27,868,500.00	264,904,418.00	292,772,918.00
Closing Cash in Hand as on 30.12.2016	-	29,311,508.00	29,311,508.00

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

Sd/-
Gautam Jain
 Managing Director

Sd/-
Vikram Jain
 Director

Sd/-
Abhishek Agarwal
 CFO

Sd/-
Gaurav Kumar Vohra
 Company Secretary

Place: Ranchi

Date: 24.06.2017

NOTICE OF 23RD ANNUAL GENERAL MEETING

NOTICE is hereby given that the 23rd Annual General Meeting of the members of Vedika Credit Capital Ltd will be held on **Saturday, 29th Day of July 2017 at 10:30 A.M.** at 20, Mullick street, 2nd Floor, Kolkata, West Bengal -700007 to transact the following business:

ORDINARY BUSINESS:

Item No. 1: - Adoption of Final Account for the Financial Year 2016-17

To receive, consider and adopt Audited Balance Sheet as at 31st March 2017, the Profit & Loss Account for the year ended as on that date and the Reports of the Directors and Auditors thereon.

Item No. 2: - Reappointment of Director eligible to retire by rotation

To appoint a Director in place of Mr. Ummed Mal Jain (DIN: 01225087) and Mr. Pravin Kumar Chaturvedi (DIN: 07045395), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible offers himself for reappointment.

Item No. 3: - Declaration of Final Dividend on Equity Share for the Financial Year 2016-17

To declare dividend on equity shares for the financial year ended as on 31st March 2017.

Item No. 4: - Take note on Distribution of Final Dividend on Preference Shares for the Financial Year 2016-17

To take note on distribution of dividend to Preference Shareholders for the financial year ended as on 31st March 2017.

Item No. 5: - Appointment of Statutory Auditor

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit and Auditors) Rules, 2014 including any statutory modification or enactment thereof, **M/s Arihant Jain & Associates LLP**, Chartered Accountant Firm, (Firm Registration No. **328064E / E300014**) be and is hereby appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of this Annual General Meeting till the conclusion of 27th Annual General Meeting of the Company, subject to ratification as to the said appointment at every Annual General Meeting, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

SPECIAL BUSINESS:

Item No. 6: - Increase in the Borrowing powers of the Company

To consider and if thought fit, to pass with or without modification, the following Resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and in suppression to earlier resolutions in this regard, the consent of the company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time, as they may think fit, notwithstanding that the money or monies to be borrowed together with monies already borrowed by the company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), exceeds the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes, provided however, the total amount so borrowed shall not exceed a sum of Rs. 1000 Crores.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all such steps as may deem necessary to give effect to the aforesaid resolution.”

By Order of the Board of Directors
For Vedika Credit Capital Ltd

Place: Ranchi
Date: 04/07/2017

Sd/-

Company Secretary
(Gaurav Kumar Vohra)
Email Id: - cs@teamvedika.com
Mob. No.: - **9135001217**

Notes: -

1. The relevant Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote on a poll instead of him and such a proxy /proxies need not be a member of the company. Proxies to be effective must be received at the registered Office of the company not less than 48 hours before the time fixed for meeting. A proxy form is enclosed.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of total share capital of the company. In case of proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any person or shareholder.

3. Members are requested to notify the change in their address to the company and always quote their Folio No./DP ID and Client ID No. in all correspondence with the company.
4. The notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those members whose email address is registered with the Company, unless any member has requested for a physical copy of the same.

For members who have not registered their email address, physical copies are being sent by the permitted mode.

5. To support the 'Green Initiative', the members who have not registered their email address are requested to register the same with company.
6. Members holding shares in physical form in identical order of names in more than one folio are requested to write to the company to consolidate their holdings in one folio.
7. Any query relating to accounts must be sent to Company's Registered Office at least 7 days before the date of the meeting.

Explanatory Statement as per Section 102 of the Companies Act, 2013

The fund requirement of the Company has enhanced, and so has the requirement for loan. However, the required loan exceeds the limits as prescribed under Section 180(1)(c) and therefore it requires the consent of the members of the Company by way of a Special Resolution. Hence, the Special Resolution for authorizing the Board of Directors to borrow monies (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) from time to time on behalf of the Company not exceeding a sum of Rs. 1000 Crore (One Thousand Crore only) is proposed for this purpose.

None of the Directors is in any way, concerned or interested in the aforesaid resolution.

By Order of the Board of Directors
For Vedika Credit Capital Ltd

Sd/-

Place: Ranchi
Date: 04/07/2017

Company Secretary
(Gaurav Kumar Vohra)
Email Id: - cs@teamvedika.com
Mob. No.:- **9135001217**

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):

Registered address:

E-mail Id:

Folio No/ Clint Id:

DP ID:

I/ We being the member of, holding shares, hereby appoint

1. Name:

Address:

E-mail Id:

Signature: or failing him

2. Name:

Address:

E-mail Id:

Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at **23rd Annual General Meeting** of members of the Company, to be held on **Saturday, 29th Day of July 2017** at the registered office of the Company situated at **20, Mullick street, 2nd floor, Kolkata, West Bengal- 700007** at **10:30 AM**, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Adoption of Audited financial statement of the Company together with the reports of the Director's and Auditor's thereon.

2. Appointment of a Director in place of Mr. Ummad Mal Jain (DIN: 01225087) and Mr. Pravin Kumar Chaturvedi (DIN: 07045395), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. Declaration of dividend on equity shares.
4. Take note on distribution of dividend to Preference Shareholders.
5. Appointment of the Statutory Auditors of the Company.
6. Increase in the Borrowing powers of the Company.

Affix Revenue Stamp

Signed this day of..... 2017

.....
Signature of Shareholder

.....
Signature of Proxy holder(s)

Notes:

1. This form of proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. The proxy form should be signed across the revenue stamp as per specimen signature(s) registered with the Company/Depository Participant.

ATTENDANCE SLIP

**TWENTY THIRD ANNUAL GENERAL MEETING
SATURDAY, 29th JULY, 2017**

Registered Folio No. / DP ID-Client ID No.:

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Number of Shares held:

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I certify that I am a member/proxy/authorized representative for the member of the Company.

I hereby record my presence at the 23rd Annual General Meeting of the Company on Saturday, 29 July 2017 at 10:30 a.m. at 20, Mullick street, 2nd floor, Kolkata, West Bengal- 700007.

.....
Name of the member/ proxy
(in BLOCK letters)

.....
Signature of the member/ proxy(s)

Note: Please fill up this attendance slip and hand it over at the entrance of the hall. Members are requested to bring their copy of the annual report for the meeting.

CORPORATE INFORMATION

CIN	:	U67120WB1995PLC069424
REGISTERED OFFICE	:	20, Mullick Street, 2nd Floor, Kolkata-700007, West Bengal
HEAD OFFICE	:	406, Shrilok Complex, 4th Floor, H.B. Road, Ranchi-834001, Jharkhand
WEBSITE	:	www.teamvedika.com
BOARD OF DIRECTORS	:	

Mr. Gautam Jain	Managing Director
Mr. Vikram Jain	Director
Mr. Ummedmal Jain	Director
Mr. Praveen Kumar Chaturvedi	Director
Mr. Vinod Kumar Gupta	Independent Director
Mr. Ramanathan Annamalai	Independent Director

COMPANY SECTORY : **Mr. Gaurav Kumar Vohra**

AUDITORS :

Mr. Pradeep Sharma	Internal Auditor
M/S K. C. Tak & Co.	Statutory Auditor

BANKERS & OTHER LENDERS :

- **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.**
- **State Bank of India**
- **Agri Business Finance Limited**
- **Ananya Finance For Inclusive Growth Private Limited**
- **Punjab & Sind Bank**
- **Habitat Micro Build India Housing Finance Company Pvt. Ltd.**
- **Canara Bank**
- **Tata Capital Financial Services Limited**

