VLS FINANCE LTD.
2nd Floor, 13, Sant Nagar,
East of Kailash,
New Delhi - 110 065, India
Tel. : + 91 -11-46656666
Fax : + 91 -11-46656699
E-mail : vls@vsnl.com
Web : www.vlsfinance.com
CIN : L65910DL1986PLC023129

May 17, 2018

LISTING DEPARTMENT
BSE LIMITED
PHIROZE JEEJEEBHOY TOWERS
DALAL STREET
MUMBAI - 400 001

Security code: 511333

Re: Approval of Audited Financial Results of VLS Finance Limited, for the quarter and financial year ended March 31, 2018, recommendation of Dividend for the FY 2017 -18.

Dear Sir/Madam,

1. We have to inform you that pursuant to regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), 2015 the Board at its meeting held today i.e. May 17, 2018 (which commenced at 3:00 P.M. and concluded at 5:45 P.M), inter-alia considered and approved (Standalone and Consolidated) Financial Results for the financial year ended 31st March, 2018.

2. In this connection, we enclose the following:

   a. Statement showing the Annual Audited Financial Results (Standalone and Consolidated) for the quarter/year ended 31/03/2018;

   b. Auditors Report on the annual Audited Financial Results- Standalone and Consolidated. <u>There are no adverse comments by auditors in their report.</u>

3. Further, pursuant to the applicable provisions of the listing regulations, we wish to inform you that the Board of Directors of the Company at its aforesaid meeting has recommended a dividend @10% i.e. INR 1/- per equity share on the face value of INR 10/- per share, for the financial year 2017-2018, subject to approval of members in the next Annual General Meeting. The dividend, if approved, will be paid on or before October 19, 2018 to the members whose name stand in register of members on the date of closure of transfer books for this purpose.

4. The Results are also being published in newspapers as per requirement of the listing regulations.

Kindly acknowledge the receipt.

Thanking you,
Yours truly

For VLS Finance Ltd.

17/5/18

H. Consul
Company Secretary
M. No. A11183

Copy to: 1) The National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051.
Scrip Code: VLSFINAC

2) The Calcutta Stock Exchange Association. Ltd., 7, Lyons Range, Kolkata- 700 001.
Scrip code:032019

M. L. PURI & CO.
CHARTERED ACCOUNTANTS

407, New Delhi House
27, Barakhamba Road
New Delhi - 110 001
☎ 011-41511406, 41511407
E-mail : camlpuri@gmail.com
Website:www.mlpuri.com

Independent Auditor's Report

To

The Board of Directors of VLS Finance Limited

1. We have audited the accompanying Statement of Standalone Financial Results of VLS FINANCE LIMITED ("the Company") for the year ended 31 March, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related financial statements which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as applicable and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

2. We conducted our audit in accordance with the Standards on Accounting & Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

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

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

M.L. PURI & CO. New Delhi FRN No. 002112N Chartered Accountants

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

   (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

   (ii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company for the year ended 31 March, 2018.

4 The Statement includes the results for the Quarter ended 31 March, 2018 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the aforesaid financial year which were subject to limited review by us.

for **M.L. Puri & Co**
Chartered Accountants
Firm's registration number: 002312N

M.L. PURI & CO New Delhi FRN No. 002312N Chartered Accountants

M.L. Puri
Partner
Membership No.: 009198

New Delhi
17th May 2018

M. L. PURI & CO.
CHARTERED ACCOUNTANTS

407, New Delhi House
27, Barakhamba Road
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☎ 011-41511406, 41511407
E-mail : camlpuri@gmail.com
Website:www.mlpuri.com

Independent Auditor's Report

To

The Board of Directors of VLS Finance Limited

1. We have audited the accompanying Statement of Consolidated Financial Results of VLS FINANCE LIMITED ("the Holding Company") and its subsidiaries and its share of the profit/(loss) of its associates for the year ended 31 March, 2018 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared on the basis of the related consolidated financial statements which is in accordance with the Accounting Standards, prescribed under Section 133 of the Companies Act, 2013, as applicable, and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

2. We conducted our audit in accordance with the Standards on Accounting & Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments. the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Holding Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

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

3. a) We did not audit of the financial statements of two subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 3,913.13 lakh as at 31 March, 2018, total revenues of Rs.6912.09 lakh for the year ended 31 March, 2018 and total Profit of Rs. 449.42 lakh (after tax) for the year ended 31 March, 2018, as considered in the consolidated financial results. These financial statements have been audited by other auditors and reports has been provided to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these associates, is based on the reports of the audit conducted by other auditors. The same figures are taken for the consolidation purpose only.

M. L. PURI & CO. New Delhi FRN 002312 Chartered Accountants

b) We did not audit the financial statements of three associates as defined under the Companies Act, 2013 namely Sunair Hotels Limited, VLS Capital Limited and BMS IT institute (P) Limited which have been included in the consolidated financial results, as per the Statement of Sunair Hotels Limited for the year ended 31st March,2017, Statement for VLS Capital Limited for the year ended 31st March,2018 and Statement for BMS IT Institute (P) limited for the year ended 31st March,2015 whose financial statements reflect total assets of Rs. 29207.61 lakh as at 31 March, 2018, total revenues of Rs. 6623.49 lakh for the year ended 31 March, 2018, and total share of profit of Rs.583.14 lakh (after tax) is considered for the consolidation of Financial Statement. These financial statements have been audited by other auditors and reports has been provided to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these associates, is based on the reports of the audit conducted by other auditors. The same figures are taken for the consolidation purpose only. The management of the Holding Company stated that they are unable to comment on the financial statements, accounting policies and notes on accounts of the two associate companies namely Sunair Hotels limited and BMS IT Institute (P) limited which are in litigation with the Holding Company. We wish to clarify that for the purpose of consolidation of the financial statements, we are unable to comment on financial statements, accounting policies and notes on accounts of the two associates entities namely Sunair Hotels Limited and BMS IT Institute Private Limited on account of statement of management of Holding Company for the Consolidated Financial Statements.

4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors referred to in paragraph 3 above, the Statement:

   a. includes the results of the subsidiaries and associates

   b. is presented in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

   c. gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and other financial information of the VLS Finance Limited for the year ended 31st March,2018.

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

for **M.L.Puri & Co**
Chartered Accountants
Firm's registration number: 002312N

M.L. PURI & CO. New Delhi FRN No. 002312N Chartered Accountants

M.L. Puri
Partner
Membership No.: 009198

New Delhi
17th May 2018

VLS FINANCE LTD.

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AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31st March, 2018

Rs.in Lakhs except Earning per share data)

Sl. No	Particulars	Quarter Ended			Year Ended		Year Ended (Consolidated)	
		31-03-2018	31-12-2017 (*)	31-03-2017	31-03-2018	31-03-2017	31-03-2018	31-03-2017
1	2	3	4	5	6	7	8	9
I	Revenue from operations	52803.25	49660.16	24978.60	209315.27	269226.30	216227.19	269356.60
II	Other Income	0.90	0.22	0.97	1.46	1.44	584.16	698.15
	III. Total Revenue (I+II)	52804.15	49660.38	24979.57	209316.73	269227.74	216811.35	270054.75
IV	Expenses							
	Purchase of Shares/Securities/Commodities	52615.85	48007.04	26017.25	206009.71	261898.60	212441.72	261948.60
	Change in stock of shares	(363.00)	(168.83)	(291.07)	(238.76)	(6.07)	(373.76)	(6.07)
	Employee benefits expenses	104.89	87.62	59.10	316.77	245.77	377.61	289.39
	Finance cost	0.09	0.91	0.10	1.07	12.52	1.11	27.70
	Depreciation and Amortisation expense	15.23	15.42	16.22	60.57	35.52	61.45	37.13
	Administrative & Other Expenses	142.47	231.04	248.21	728.83	820.32	747.18	840.77
	Total Expenses	52515.53	48173.20	26049.81	206878.19	263006.66	213255.31	263137.52
V	Profit before exceptional and extraordinary items and tax (III-IV)	288.62	1487.18	(1070.24)	2438.54	6221.08	3556.04	6917.23
VI	Exceptional items							
	Provision for Diminuation in value of assets (net)	0.00	600.00	(1,350.00)	600.00	1150.00	600.00	1150.00
VII	Profit before extraordinary items and tax (V-VI)	288.62	887.18	279.76	1838.54	5071.08	2956.04	5767.23
VIII	Extraordinary items	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IX	Profit before tax (VII-VIII)	288.62	887.18	279.76	1838.54	5071.08	2956.04	5767.23
X	Less: Tax Expenses							
	Current Tax /MAT	14.67	267.81	(296.28)	347.55	1197.10	436.06	1,224.66
	Tax Provisions/adjustments for earlier years	(3.90)	-	-	(3.90)	116.50	(3.90)	116.50
	Deferred Tax	2.18	4.38	1.34	10.06	7.89	6.49	7.52
XI	Profit before Minority share of profit (IX-X)	275.67	614.99	574.70	1484.83	3749.59	2517.39	4418.55
	Less: Minority interest share on profit	-	-	-	-	-	1.50	(0.08)
XII	Profit for the year	275.67	614.99	574.70	1484.83	3749.59	2515.89	4418.63
	EARNING PER SHARE		Not annualised					
	Basic Earning per Share (Rs.)	0.71	1.59	1.49	3.84	9.70	6.51	11.43
	Diluted Earning per Share (Rs.)	0.71	1.59	1.49	3.84	9.70	6.51	11.43
	Face Value per Share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00	10.00
	(*) Unaudited							

M.L. PURI New Delhi FRN No 002312N Chartered Accountants

Notes:

1	The above financial results, were reviewed by the Audit Committee, and approved by the Board of Directors in their respective meetings held on 17h May, 2018.
2	The Consolidated accounts have been prepared as per Accounting Standard (AS21) on Consolidated Financial statements and Accounting Standard (AS 23) on accounting for Investments in Associates in Consolidated Financial Statements. The Consolidated results as shown include the audited results of the subsidiaires viz., VLS Securities Ltd and VLS Asset Management Ltd for the year ended 31/03/2018. Further the consolidated results as shown include the audited results of the associates as defined in the Companies Act, 2013 viz VLS Capital Ltd for the year ended 31/03/2018 and the audited results for the year ended 31/03/2017 of Sunair Hotels Ltd and the audited results for the year ended 31/03/2015 of BMS IT Institute Pvt Ltd.
3	Accounting Standard (AS -17) relating to "Segment Reporting" has been complied with. The gross operating income and profit from the other segment is below the norms prescribed in AS-17, hence separate disclosure has not been made.
4	Certain Shares have been kept as margin with stock brokers.
5	The figures for the quarter ended 31st March, 2018 are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to third quarter of the relevant financial year.
6	The Board of Directors have recommended dividend of Rs.1/- per equity share on Face Value of Rs.10/-per share for the Financial year ended on March 31, 2018 subject to approval of the members at the ensuing Annual General Meeting.
7	The figures of the corresponding quarter/year have been regrouped/rearranged, wherever required, to conform to current Quarter/year figures as the case may be.
8	The results of the Company are available at Company's website www.vlsfinance.com and on the website of the stock exchanges viz. BSE Ltd (www.bseindia.com) and the National Stock Exchange of India Ltd.(www.nseindia.com)

M.L. PURI & CO. New Delhi FRN No. 002312N Chartered Accountants

For & on behalf of the Board

S.K.AGARWAL
Managing Director
DIN:00106763

Place: New Delhi
Date: 17-05-2018

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Statement of Assets and Liabilities as at 31st March, 2018

(Rs. In Lakhs)

Particulars	As at		Year Ended (Consolidated)	
	31-03-2018	31-03-2017	31-03-2018	31-03-2017
		(AUDITED)		
1	2	3	4	5
A. EQUITY AND LIABILITIES				
1. Shareholders' Funds				
a) Share Capital	**3,878.42**	3,878.42	**3,878.42**	3,878.42
b) Reserves & Surplus	**22,158.85**	21,140.11	**26,384.18**	24,334.38
Sub-total - Shareholders' funds	**26,037.27**	**25,018.53**	**30,262.60**	**28,212.80**
Minority Interest				
a) Share Capital	**-**	-	**10.06**	10.06
b) Reserves & Surplus	**-**	-	**1.75**	0.25
Sub-total - Minority Interest	**0.00**	**0.00**	**11.81**	**10.31**
2. Non-Current liabilities				
Long-term provisions	**3,960.98**	3,350.21	**3,977.07**	3,354.77
Sub-total - Non-current liabilities	**3,960.98**	**3,350.21**	**3,977.07**	**3,354.77**
3. Current liabilities				
a) Trade Payables	**108.25**	15.49	**446.10**	234.97
b) Other current liabilities	**26.75**	18.49	**30.77**	20.29
c) Short Term Provisions	**473.74**	472.82	**473.88**	472.96
Sub-total - Current liabilities	**608.74**	**506.80**	**950.75**	**728.22**
TOTAL - EQUITY AND LIABILITIES	**30,606.99**	**28,875.54**	**35,202.23**	**32,306.10**
B. ASSETS				
1. Non-current assets				
a) Fixed Assets				
i) Tangible assets	**952.26**	1,005.24	**953.66**	1,007.37
ii) Intangible assets	**1.25**	1.89	**1.25**	1.89
iii) Capital Work-in-progess	**214.92**	1.73	**214.92**	1.73
b) Non-current Investments	**26,432.15**	25,086.20	**29,617.89**	27,329.51
c) Deferrred tax assets (net)	**127.82**	137.87	**133.41**	139.91
d) Long Term Loans and advances	**1,357.54**	1,367.79	**1,443.03**	1,447.83
Sub-total - Non-current assets	**29,085.94**	**27,600.72**	**32,364.16**	**29,928.24**
1. Current assets				
a) Inventories- Stock-in-trade	**735.00**	496.24	**870.00**	496.24
b) Trade receivables	**0.00**	123.85	**0.00**	123.85
c) Cash and cash equivalents	**164.97**	215.47	**526.30**	896.72
d) Short-term loans and advances	**377.86**	213.62	**1,193.02**	626.05
e) Other current assets	**243.22**	225.64	**248.75**	235.00
Sub-total - Current assets	**1,521.05**	**1,274.82**	**2,838.07**	**2,377.86**
TOTAL ASSETS	**30,606.99**	**28,875.54**	**35,202.23**	**32,306.10**

For & on behalf of the Board

Place: New Delhi
Date: 17-05-2018

S.K.AGARWAL
Managing Director
DIN:00106763

M.L. PURI & CO. Chartered Accountants