



VANI
COMMERCIALS LIMITED



29th Annual Report
2015-2016

CORPORATE INFORMATION

- Chairman** : Mr. Vidya Sagar Bhatia (Independent)
- Managing Director & Chief Financial Officer** : Mr. Divesh Kumar Bajaj
- Non Executive Directors** : Mr. Mukesh Kumar Sukhija
Ms. Pooja Bhatia
Mr. Gaurav Mutreja (Independent)
- Company Secretary** : Mr. Praveen Kumar
- Auditors** : M/s Satyendra Mrinal & Associates
Chartered Accountants
New Delhi
- Registered Office** : 'AASTHA', LP-11C, Pitampura,
New Delhi – 110034
Ph. No. 011-27324080
Fax: 011-27324070
Website: www.vanicommercials.com
Email Id: info@vanicommercials.com
- Details of RTA** : Skyline Financial Services Private Limited
D-153/A, 1st Floor, Okhla Industrial Area,
Phase – I, New Delhi – 110020
Ph. No. +91-(0) 11-6473 2681/6473 2682
Fax: +91-(0) 11-2681 2682
Email Id: admin@skylinerta.com

The Equity Shares of the Company are listed at BSE Limited (BSE). (Gauhati Stock Exchange and Uttar Pradesh Stock Exchange since not functional.)

CONTENTS

| | Page No. |
|-------------------------------------|-----------------|
| 1. Notice of Annual General Meeting | 1 |
| 2. Director's Report | 12 |
| 3. Auditor's Report | 39 |
| 4. Balance Sheet | 47 |
| 5. Statement of Profit & Loss | 48 |
| 6. Cash Flow Statement | 49 |
| 7. Notes to Financial Statements | 50 |
| 8. Attendance Slip and Proxy Form | 60 |

NOTICE

Notice is hereby given that the 29th Annual General Meeting of the Members of M/s Vani Commercials Limited will be held on Thursday, the 29th day of September, 2016 at 11:30 a.m. at Twist 'n' Turn Banquet, 226-227 Shop in Park Mall, Shalimar Bagh, New Delhi - 110088, to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements for the Financial Year ended 31st March, 2016 including the Reports of the Auditors' and the Board of Directors' thereon.
2. To appoint a Director in place of Mr. Divesh Kumar Bajaj (DIN: 01118288), who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of Auditors

To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the Company hereby ratifies the appointment of M/s Satyendra Mrinal & Associates, Chartered Accountants, New Delhi, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2017 at such remuneration plus service tax, as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

For and on Behalf of the Board
For **Vani Commercials Limited**

Divesh Kumar Bajaj
Managing Director & CFO
DIN: 01118288

Date: 12th August, 2016
Place: New Delhi

Vani Commercials Limited
Regd. Off.: 'AASTHA', LP – 11C,
Pitampura, New Delhi – 110034
CIN: L74899DL1988PLC106425
Email ID: info@vanicommercials.com

Vani Commercials Limited Annual Report 2015-16

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR COMMENCEMENT OF THE MEETING** i.e. upto 11:30 a.m. on 27th September, 2016.
2. **A person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.**
3. Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote on their behalf at the Meeting.
4. The Register of Members and the Share Transfer Book of the Company shall remain closed from Thursday 29th September 2016 to Sunday 2nd October 2016 (both days inclusive).
5. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 i.e. Secretarial Standards on General Meetings in respect of the Directors seeking appointment/reappointment at the Meeting is annexed to the Notice as **Annexure–A**.
6. Notice of the Meeting of the Company, *inter alia*, indicating the process and manner of e–voting along with Attendance Slip and Proxy Form is being sent to the members, whose email ids are registered with the Company and Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same.

7. Members may also note that the Notice of the Meeting and the Annual Report will also be available on the Company's website **www.vanicommercials.com** for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection at any time between 10:00 a.m. to 1:00 p.m. on any working day upto the date of Meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email ID i.e., info@vanicommercials.com.
8. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Circulars, etc. from the Company electronically.**
9. **Voting through electronic means:**
- (i) In compliance with provisions of section 108 of the Act and Rule 20 of The Companies [Management and Administration] Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is providing e-voting facility as an alternative mode of voting which will enable the members to cast their votes electronically.
- Necessary arrangements have been made by the Company with Central Depository Services [India] Limited [CDSL] to facilitate e-voting. The detailed process, instructions and manner for availing e-Voting facility is annexed to the Notice as **Annexure-B**.
- (ii) Ms. Anju Yadav, Practicing Company Secretary [Membership No. A32111] has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (iii) Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

- (iv) Members can opt for only one mode of voting i.e. either by e-voting or poll paper. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Poll Paper shall be treated as invalid.
- (v) The e-voting period commences on Monday, 26th September 2016 [9:00 a.m.] and ends on Wednesday, 28th September 2016 [5:00 p.m.]. During this period, Members holding shares either in physical form or demat form, as on 23rd September 2016 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
- (vi) The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail facility of remote e-voting and poll process at the venue of the meeting.
- (vii) Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on cut-off date, may cast vote after following the instructions for e-voting as provided in the Notice convening the Meeting, which is available on the website of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting then you can use your existing User ID and password for casting vote.
- (viii) The Scrutinizer shall, immediately after the conclusion of voting at the meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours from conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, to the Chairman, who shall countersign the same.

- (ix) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.vanicommercials.com and on the website of CDSL i.e., www.evotingindia.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited [BSE], where the equity shares of the Company are listed.
10. The route map giving the directions, to the venue of the AGM is annexed to the Notice as **Annexure-C**.
11. **REQUEST TO MEMBERS**
- (i) Members/Proxies attending the meeting are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
- (ii) Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
- (iii) Members holding shares in demat form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service [NECS], Electronic Clearing Services [ECS] mandates, nominations, power of attorneys, change in address, change of name, email address, contact numbers, etc. to their Depository Participant [DP]. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agents to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Registrar and Transfer Agents of the Company.
- (iv) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Registrar, for consolidation into a single folio.

- (v) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Share Transfer Agents.

Annexure-A to the Notice dated 12th August, 2016- Details of Director seeking Appointment/ Reappointment

| | |
|--|--|
| Name of Director | Divesh Kumar Bajaj |
| Age | 47 years |
| Date of Appointment by the Board of Directors | 14 th August, 2014 |
| Brief Resume and nature of expertise in functional areas | He is a commerce graduate and member of ICAI. He is having more than 15 years of experience in financing services |
| Disclosure of relationships between directors inter-se | Not Any |
| Directorships held in other listed Companies | Omansh Enterprises Limited |
| Memberships / Chairmanships of Committees of other listed Companies | Omansh Enterprises Limited – Audit Committee (Member) Omansh Enterprises Limited – Shareholders/ Investor's Grievance Committee (Member) Omansh Enterprises Limited-Nomination and Remuneration Committee (Member) |
| Number of shares held in the Company | Nil |

Annexure-B to the Notice dated 12th August, 2016- Instructions for e-voting. The instructions for members for voting electronically are as under:

- (i) The voting period begins on Monday, 26th September 2016 from 9:00 a.m. and ends on Wednesday, 28th September 2016 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on Friday the 23rd day of September 2016, being the Cut-Off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL : 16 digits beneficiary ID,
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat and Physical Form

| | |
|--|--|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p> |
| Date of Birth (DOB)# | Enter the Date of Birth as recorded in dd/mm/yyyy format. |
| Dividend Bank Details # | Enter the Dividend Bank Details as recorded in your demat account or in the company records for said folio. |
| If both the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (v). | |

Please enter the DOB or Dividend Bank Details in order to Login

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on

which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN of VANI COMMERCIALS LIMITED on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians**

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xx) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Contact Details:

Central Depository Services (India) Limited
17th Floor, P.J. Tower, Dalal Street, Fort,
Mumbai-400001
Phone: +91-22-22723333/8588
E-mail id: helpdesk.evoting@cdslindia.com

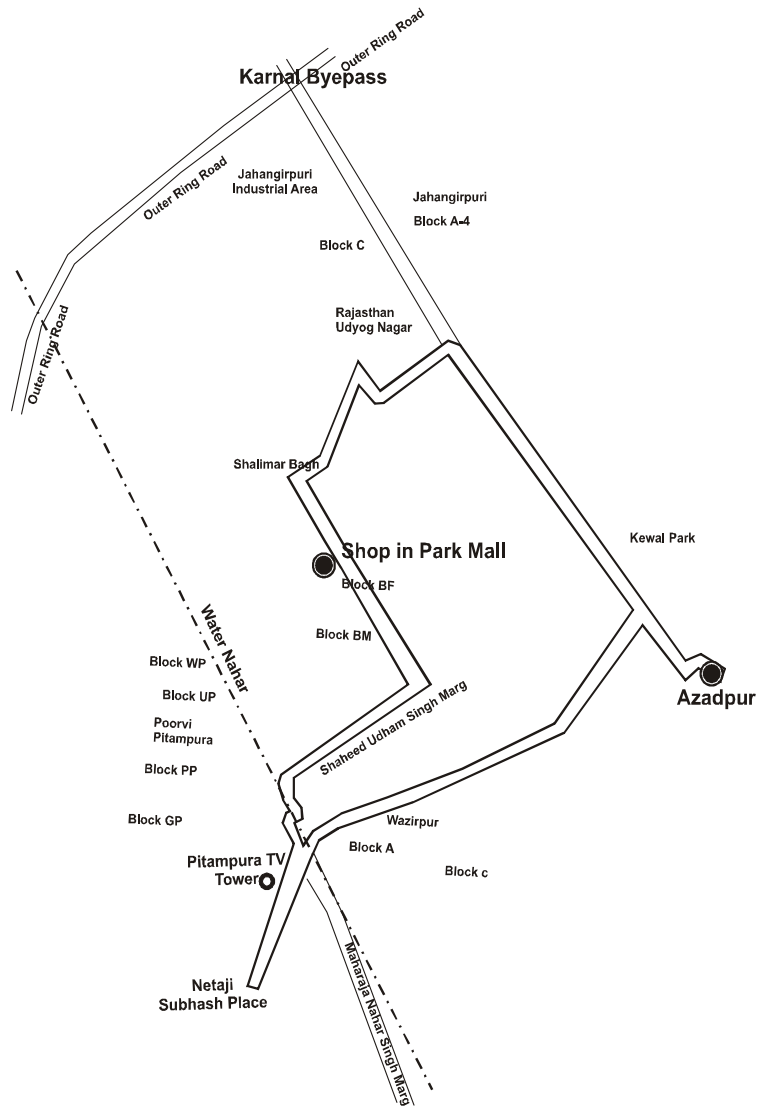
For and on Behalf of the Board
For **Vani Commercials Limited**

Divesh Kumar Bajaj
Managing Director & CFO
DIN: 01118288

Date: 12th August, 2016
Place: New Delhi

Vani Commercials Limited
Regd. Off.: 'AASTHA', LP – 11C,
Pitampura, New Delhi – 110034
CIN: L74899DL1988PLC106425
Email ID:info@vanicommercials.com

Route Map for Shop In Park Mall



DIRECTOR'S REPORT

To,
The Members of
Vani Commercials Limited

Your Directors have pleasure in presenting the 29th Director's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2016.

1. FINANCIAL HIGHLIGHTS AND STATE OF COMPANY'S AFFAIRS

(a) (Amount in ₹)

| Particulars | Current year | Previous Year |
|------------------------------------|--------------------|--------------------|
| Total Income | 29,89,236.00 | 22,75,700.00 |
| Total Expenses | 26,21,344.00 | 19,49,432.00 |
| Profit/ (Loss) Before Tax | 3,67,892.00 | 3,26,268.00 |
| Tax Expenses | | |
| Current Tax | 96,793.00 | 82,055.00 |
| Deferred Tax | (391.00) | 1,486.00 |
| Provision for Standard Assets | 51,482.00 | 0.00 |
| Profit/(Loss) after Tax | 2,20,008.00 | 2,42,727.00 |
| Transfer to Statutory Reserves | 44,002.00 | 16,411.00 |
| Net Profit Transferred to Reserves | 1,76,006.00 | 2,26,316.00 |
| Earnings per share (₹) | | |
| Basic | 0.05 | 0.06 |
| Diluted | 0.05 | 0.06 |

(b) During the year, your Company recorded Total Income of ₹ 29,89,236.00 (previous year ₹ 22,75,700.00), representing an increase of 31.35% over the previous year. The Company recorded a Net Profit of ₹ 2,20,008.00 during the financial year ended 31st March, 2016 as against net profit of ₹ 2,42,727.00 in the previous year. Further as the Company is NBFC, it made provision for Standard Assets.

(c) **Transfer To Reserves In Terms Of Section 134 (3) (j) Of The Companies Act, 2013**

No amount is being carried to the General Reserves.

(d) Transfer To Statutory Reserves

For the financial year ended 31st March, 2016, the Company is proposed to carry an amount of ₹ 44002.00 to Statutory Reserve Account as required under the provisions of Section 45-IA of RBI Act, 1934.

(e) Dividend

Your Directors do not recommend any dividend for the year ended 31st March, 2016.

(f) Material Changes And Commitments

There are no material changes from the end of Financial Year till the date of this report

2. PUBLIC DEPOSITS

During the year under report, your Company did not accept any deposits from the public in terms of the provisions of Chapter V of the Companies Act, 2013 and under provision of Section 45-IA of the RBI Act, 1934.

3. DIRECTORS AND KEY MANAGERIAL PERSONNEL

(a) Changes in Board of Directors

After the last AGM there were no changes in the constitution of the Board of Directors of the Company.

(b) Retirement by rotation

In accordance with the provisions of Section 152(6) of the Act and the Articles of Association of the Company, Mr. Divesh Kumar Bajaj (DIN: 01118288) will retire by rotation at the ensuing Annual General Meeting ('AGM') of the Company and, being eligible, offers himself for re-appointment. Your Board has recommended his re-appointment.

(c) Changes in Directors and Key Managerial Personnel during the year

Ms. Radhika Gupta was appointed as the Company Secretary & CFO with effect from 17th July, 2015 and resigned with effect from 17th August, 2015. Mr. Nitin Gupta held the position of Company Secretary from 14th November, 2015 till 30th

November, 2015. Mr. Satinder Pal Singh was appointed as a Company Secretary with effect from 30th March, 2016 after his cessation from the office, Mr. Praveen Kumar held the position of Company Secretary w.e.f. 24th May 2016.

(d) Declaration of Independence by the Independent Directors

The Independent Directors of your Company have confirmed that they meet with the criteria of Independence as prescribed under Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Framework for Familiarization Programme for the Independent Directors and the details of Familiarization Programme imparted to Independent Directors is made available on the website of the Company at weblink <http://www.vanicommercials.com/wp-content/uploads/2015/05/2-PAGES.pdf> and <http://www.vanicommercials.com/wp-content/uploads/2016/04/TRAINING-PROGRAMMES-IMPARTED-TO-DIRECTORS.pdf> respectively.

(e) Attributes, qualifications and appointment of Directors

The Nomination and Remuneration Committee has adopted the attributes and qualifications as provided in Section 149(6) of the Act and Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014, in respect of Independent Directors. The Committee has also adopted the same attributes and qualifications, to the extent applicable, in respect of Non-Independent Directors.

All the Non-Executive Directors of the Company, fulfil the fit and proper criteria for appointment as Directors. Further, all Directors of the Company, other than Independent Directors, are liable to retire by rotation. One-third of the Directors who are liable to retire by rotation, retire every year and are eligible for re-election.

(f) Remuneration Policy

The Board, on the recommendation of the Nomination and Remuneration Committee, approved the Remuneration Policy for the Directors, Key Managerial Personnel and other

employees of the Company, a copy of which is enclosed as **Annexure: I** to this Report.

(g) Board Evaluation

The Board carried out annual performance evaluation of its own performance and that of the individual Directors as also functioning of the Board Committees, as required in terms of Section 134 (3) (p) of the Act. The performance evaluation of the Board and individual Directors was based on criteria approved by the Nomination and Remuneration Committee. The Directors expressed their satisfaction with the overall evaluation process.

4. NUMBER OF BOARD MEETINGS

During the year ended 31st March, 2016, 7(Seven) meetings of the Board were held on 29th May 2015, 17th July 2015, 7th August 2015, 7th November 2015, 14th November 2015, 8th February 2016 and 30th March 2016.

5. BOARD COMMITTEES

Presently, the Company has three Board Committees with the following members:

| | |
|---------------------------------------|--|
| Audit Committee | Mr. Vidya Sagar Bhatia, Chairman Mr. Divesh Kumar Bajaj, Member Mr. Gaurav Mutreja, Member |
| Nomination and Remuneration Committee | Mr. Vidya Sagar Bhatia, Chairman Ms. Pooja Bhatia, Member Mr. Gaurav Mutreja, Member |
| Stakeholders Relationship Committee | Mr. Vidya Sagar Bhatia, Chairman Mr. Mukesh Kumar Sukhija, Member Mr. Gaurav Mutreja, Member |

6. Directors' Responsibility Statement

As required under Section 134(5) of the Act, your Directors confirm having: -

- i) followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanation relating to material departures, if any;

- ii) selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- iv) prepared the Annual Accounts on a going concern basis; and
- v) proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.
- vi) having laid down the internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.

7. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any subsidiary, associate or joint venture.

8. LISTING INFORMATION

The Equity Shares of the Company are presently listed only at BSE Limited (BSE) and listing fee for 2016-2017 is due for payment. As Exit Order was passed by SEBI against UPSE on 09/06/2015 and against Gauhati Stock Exchange on 27/01/2015, thereby rendering both the Stock Exchanges non operational.

9. DEMATERIALIZATION OF SHARES

The securities of the Company are admitted with NSDL and CDSL, the ISIN allotted to the Company is INE661Q01017.

10. REPORT ON CORPORATE GOVERNANCE

In terms of Regulation 15(2) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, the provision of Regulation 27 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company since the paid up capital of the Company is below ₹ 10 crores and also the net worth of the Company is below ₹ 25 Crores. Thus, the

Company is not required to attach the Corporate Governance report with the Report of the Board of Directors.

11. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The Company provides a gender friendly workplace, during the year under review, there were no cases filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

None of the employees of your Company is covered under the provisions of Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

12. RISK MANAGEMENT

The Board has approved the Risk Management Policy of the Company. The Company's risk management framework is designed to address risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company. The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its objectives. The responsibility for management of risks vests with the Managers/ officers responsible for the day-to-day conduct of the affairs of the Company. Risk focused audits are carried out periodically by the Internal Auditors, which lead to identification of areas where risk management processes need to be strengthened. Annual update is provided to the Board on the effectiveness of the Company's risk management systems and policies.

13. INTERNAL FINANCIAL CONTROLS & INTERNAL AUDIT

The Company has adequate internal financial controls with respect to the financial statements, commensurate with the size and scale of the operations of the Company. During the year such controls were tested and no reportable material weakness in operation has been observed. Internal audit of the Company has been carried out during the year. The Audit Committee reviews the internal audit findings, provides guidance on internal controls and ensures that the internal audit recommendations are implemented.

14. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company is a Non Banking Financial Company, registered with the Reserve Bank of India, thus the provisions of the Section 186 of the Companies Act, 2013 do not apply to the Company.

15. RELATED PARTY TRANSACTIONS

During the year ended 31st March, 2016, all the contracts / arrangements/ transactions entered by the Company during the financial year with related parties were in ordinary course of business / on an arm's length basis.

The details in **Form AOC-2** of material transactions entered into by the company with its related party are provided in **Annexure: II** to this Report.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available on the website of the Company at weblink <http://www.vanicommercials.com/wp-content/uploads/2015/08/Policy-on-materiality-of-Related-Party-Transactions-and-on-dealing-with-Related-Party-Transactions.pdf>

16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the year under review, no significant or material orders were passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

17. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 are provided under **Annexure: III** to this Report.

18. AUDITORS AND AUDIT REPORT

The Company's Auditors, M/s Satyendra Mrinal & Associates, Chartered Accountants, were appointed at the 27th AGM to hold such office till the conclusion of the 30th AGM. Your Board, in terms of Section 139 of the Act, on the recommendation of the Audit Committee, has recommended for the ratification of the Members the appointment of M/s Satyendra Mrinal & Associates, Chartered Accountants as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2017. The Board, in terms of Section 142 of the Act, on the recommendation of the Audit Committee, has also recommended for the approval of the Members for the appointment of M/s Satyendra Mrinal & Associates for the financial year 2016-17.

The comments made by the Auditors' in their Report are self explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

CONSERVATION OF ENERGY:

Steps taken on conservation of energy and impact thereof: Efforts to conserve electricity by operating only necessary lights, fittings and fixtures were made during the financial year 2015-16.

Steps taken by the company for utilizing alternate sources of energy:
Nil

Capital investment on energy conservation equipment: Nil.

TECHNOLOGY ABSORPTION:

- (I) Efforts, in brief, made towards technology absorption and benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc : Nil
- (II) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:
 - a) Details of technology imported - Nil
 - b) Year of import –Nil
 - c) Whether the technology been fully absorbed - NIL
 - d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore – NIL
- (iii) Expenditure incurred on research and development – Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO

There were no foreign exchange earnings or outflow during the year.

20. SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Companies Act, 2013, the Company

has appointed Ms. Anju Yadav, Practicing Company Secretary as the Secretarial Auditor of the Company for the financial year 2015-16. The Secretarial Audit Report given by Ms. Anju Yadav, Practicing Company Secretary is provided under **Annexure: IV** to this Report.

The comments made by the Secretarial Auditor are self explanatory and do not require any further comments. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

21. ESTABLISHMENT OF VIGIL MECHANISM

The Vigil Mechanism Policy of the Company is formulated in terms of section 177 (9) of the Companies Act, 2013 read with the provisions of the Listing Agreement with the Stock Exchange(s) and thereby also incorporates Whistle Blower Policy. That as per the said policy protected disclosures can be made by the whistle blower to the dedicated e-mail / telephone line/ letter to Chairman of Audit Committee.

The Policy on Vigil Mechanism and Whistle Blower Policy as approved by the Board is available on the website of the Company at weblink <http://www.vanicommercials.com/wp-content/uploads/2015/08/Vigil-Mechanism-and-Whistle-Blower-Policy.pdf>

22. ACKNOWLEDGEMENT

Your directors would like to express their sincere appreciation for the assistance and corporation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**For & on behalf of Board of Directors
Vani Commercials Limited**

Date: 24th May, 2016
Place: New Delhi

Divesh Kumar Bajaj
Managing Director & CFO
DIN: 01118288

Mukesh Kumar Sukhija
Director
DIN: 01038078

Vani Commercials Limited
Regd. Off.: 'AASTHA', LP – 11C,
Pitampura, New Delhi – 110034
CIN: L74899DL1988PLC106425
Email ID:info@vanicommercials.com

**NOMINATION & REMUNERATION POLICY
(DIRECTORS, KMP & SENIOR MANAGEMENT)**

INTRODUCTION

In pursuance of the Company's philosophy to consider its employees as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and, in terms of the provisions of the Companies Act, 2013, this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination & Remuneration Committee and approved by the Board of Directors.

OBJECTIVE

The objective and purpose of the Policy are as given below:

1. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
2. To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
3. To provide them reward linked directly to their effort, performance, dedication and achievement of Organization's goals as entrusted on them.
4. To retain, motivate and promote talent and to ensure long term retention of talented managerial persons and create competitive advantage. In the context of the aforesaid objectives the following policy has been framed and recommended by the Nomination & Remuneration Committee and adopted by the Board of Directors.

PART – A

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

APPOINTMENT

1. The candidate for a position at Director, KMP or Senior Management level is met by the Managing Director in consultation with the other Directors. The interview is targeted at assessing the candidate on

his/ her functional & leadership capabilities and cultural fitment to the organization.

2. The MD assesses the shortlisted candidates.
3. The selected candidate's details and the proposed compensation is shared with the Nomination & Remuneration Committee for their review and suggestions. The same is shared with the Board at the next board meeting.

TERM/ TENURE

The tenure for Directors shall be governed by the terms defined in the Companies Act, 2013. However, the tenure for other KMP and Senior Management Personnel will be governed by terms of Appointment in accordance with the Recruitment Policy of the Company.

EVALUATION

The performance of the KMP and Senior Management Personnel is evaluated at regular intervals (half yearly/ yearly) by the Managing Director. The performance evaluation of Independent Directors shall be done by the Board, excluding the Director being evaluated, basis the contributions made to the Board deliberations on various matters including business strategy, financial strategy, operations, cost and risk management, etc., and suggestions given in this regard.

REMOVAL

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Managing Director may recommend, to the Committee and the Board with reasons recorded in writing, removal of a Director, subject to the provisions and compliance of the said Act, rules and regulations.

For other KMP or Senior Management Personnel, the removal will be governed by the terms of Appointment in accordance with the Recruitment Policy of the Company and the subsequent approval of the Managing Director.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Managing Director will have the discretion to

retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PART – B

POLICY RELATING TO EVALUATION AND REMUNERATION OF THE KMP AND SENIOR MANAGEMENT PERSONNEL

EVALUATION PROCESS:

The three Point Rating scale for performance review of Executive Director, KMP, and Senior Management is to be followed:

1. Rating on Basic Job Responsibilities: indicating whether the basic job responsibilities have been met during the year.
2. Rating on Goals: Annual rating on each goal on a five-point scale. Weighted average of the ratings is calculated to arrive at a 'Weighted Goal Score'.
3. Rating on Capabilities Factors: The qualitative aspects of the performance is assessed using the Capabilities Factors by the supervisor on a five-point scale.

Based on a holistic view of the Three Point Rating, the supervisor provides an overall Rating. This rating is reviewed by the Managing Director along with the immediate reporting officer, who does a Qualitative review of the performance based on the efforts put in by the employee, results achieved and impact of the external and internal factors, to arrive at a 'Final Annual Rating'.

The revision in the total remuneration is directly linked to the 'Final Annual Rating' for all employees.

1. The remuneration/ compensation/ commission etc. to the KMP and Senior Management Personnel will be determined by the Managing Director in consultation with other Directors (except the Independent Directors) in accordance with the Recruitment Policy of the Company, which is based upon the Final Annual Rating, employee potential and market benchmark compensation. The revised remuneration is shared with the Nomination & Remuneration Committee for review.
2. The remuneration/ compensation/ commission etc. shall be subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.

'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 arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

| SNo. | Name(s) of the related party and nature of relationship | Nature of contracts / arrangements / transactions | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Justification for entering into such contracts or arrangements or transactions | Date(s) of approval by the Board | Amount paid as advances, if any | Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 |
|---------|---|---|---|--|--|----------------------------------|---------------------------------|---|
| NOT ANY | | | | | | | | |

2. Details of material contracts or arrangement or transactions at arm's length basis

| SNo. | Name(s) of the related party and nature of relationship | Nature of contracts / arrangements / transactions | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board, if any | Amount paid as advances, if any |
|------|---|---|---|--|--|---------------------------------|
| 1 | Mr. Mukesh Kumar Sukhija (Director) | Rent | 36 Months | An amount of ₹ 1,50,000.00 has been given as rent to Mr. Mukesh Kumar Sukhija | NA | NA |

Date: 24th May, 2016
 Place: New Delhi
Vani Commercials Limited
 Regd. Off.: 'AASTHA', LP - 11C,
 Pitampura, New Delhi - 110034
 CIN: L74899DL1988PLC106425
 Email: ID:info@vanicommercials.com

For & on behalf of Board of Directors
Vani Commercials Limited

Divesh Kumar Bajaj
 Managing Director & CFO
 DIN: 01118288

Mukesh Kumar Sukhija
 Director
 DIN: 01038078

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31/03/2016
[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

| | |
|--|--|
| i) CIN | L74899DL1988PLC106425 |
| ii) Registration Date | 24/02/1988 |
| iii) Name of the Company | VANI COMMERCIALS LIMITED |
| iv) Category / Sub-Category of the Company | Public Company, Limited by shares, NBFC & Company having Share Capital |
| v) Address of the Registered office and contact details | AASTHA, LP - 11C, PITAMPURA, NEW DELHI - 110034 Telephone : 011-27324080 Fax Number : 011-27324070 Email : info@vanicommercials.com |
| vi) Whether listed company | Yes |
| vii) Name and Address of Registrar & Transfer Agents (RTA) | |
| Name of Registrar & Transfer Agents | Skyline Financial Services Private Limited |
| Address | D-153 A, 1st Floor, Okhla Industrial Area, Phase-I |
| Town / City | New Delhi |
| State | Delhi |
| Pin Code | 110020 |
| Telephone | +91-(0)11-6473 2681/ 6473 2682 |
| Fax Number | +91-(0)11-2681 2682 |
| Email Address | admin@skylinerta.com |

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:-

| SN | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|----|--|----------------------------------|------------------------------------|
| 1 | Other credit granting | 64920 | 94.81 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

| SNo. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associates | % of shares held | Applicable Section |
|---------|---------------------------------|---------|---------------------------------|------------------|--------------------|
| Not Any | | | | | |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):
A. Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--|---|----------------|----------------|-------------------|---|----------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 244600 | 316800 | 561400 | 13.63 | 244600 | 0 | 244600 | 5.94 | -7.69 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt (s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any Other... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (1):- | 244600 | 316800 | 561400 | 13.63 | 244600 | 0 | 244600 | 5.94 | -7.69 |
| (2) Foreign | | | | | | | | | |
| a) NRIs – Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other – Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any Other... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 244600 | 316800 | 561400 | 13.63 | 244600 | 0 | 244600 | 5.94 | -7.69 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 1020000 | 67430 | 1087430 | 26.40 | 1020000 | 67430 | 1087430 | 26.40 | 0 |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 59000 | 424070 | 483070 | 11.72 | 88200 | 444070 | 532270 | 12.92 | 1.2 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh * | 1049200 | 688700 | 1737900 | 42.18 | 1020000 | 985500 | 2005500 | 48.68 | 6.5 |
| c) Others (specify) | 250000 | 0 | 250000 | 6.07 | 250000 | 0 | 250000 | 6.07 | 0 |
| Sub-total (B)(2):- | 2378200 | 1180200 | 3558400 | 86.37 | 2378200 | 1497000 | 3875200 | 94.06 | 7.69 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 2378200 | 1180200 | 3558400 | 86.37 | 2378200 | 1497000 | 3875200 | 94.06 | 7.69 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0 |
| Grand Total (A+B+C) | 2622800 | 1497000 | 4119800 | 100.00 | 2622800 | 1497000 | 4119800 | 100.00 | 0.00 |

B. Shareholding of Promoters

| S. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|--------|-------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the company | % of shares pledged/encumbered to total shares | No. of Shares | % of total shares of the company | % of shares pledged/encumbered to total shares | |
| 1 | Mr. Shiv Kumar Khanna | 38400 | 0.93 | 0.00 | 0 | 0 | 0.00 | -0.93 |
| 2 | Mr. Harish Khanna | 38400 | 0.93 | 0.00 | 0 | 0 | 0.00 | -0.93 |
| 3 | Mr. Rajesh Khanna | 38400 | 0.93 | 0.00 | 0 | 0 | 0.00 | -0.93 |
| 4 | Mr. Deepak Khanna | 38400 | 0.93 | 0.00 | 0 | 0 | 0.00 | -0.93 |
| 5 | Smt. Veena Khanna | 38400 | 0.93 | 0.00 | 0 | 0 | 0.00 | -0.93 |
| 6 | Smt. Vibha Khanna | 86400 | 2.10 | 0.00 | 0 | 0 | 0.00 | -2.10 |
| 7 | Smt. Krishnawati Khanna | 38400 | 0.93 | 0.00 | 0 | 0 | 0.00 | -0.93 |
| 8 | Mr. Gaurav Sukhija | 59000 | 1.43 | 0.00 | 59000 | 1.43 | 0.00 | 0.00 |
| 9 | Mr. Gaurav Bhatia | 9200 | 0.22 | 0.00 | 9200 | 0.22 | 0.00 | 0.00 |
| 10 | Mrs. Rashmi Sukhija | 29000 | 0.70 | 0.00 | 29000 | 0.70 | 0.00 | 0.00 |
| 11 | Mr. O.P Sukhija | 59400 | 1.44 | 0.00 | 59400 | 1.44 | 0.00 | 0.00 |
| 12 | Mrs. Raj Kanta Sukhija | 59200 | 1.44 | 0.00 | 59200 | 1.44 | 0.00 | 0.00 |
| 13 | Mrs. Komal Sukhija | 9500 | 0.23 | 0.00 | 9500 | 0.23 | 0.00 | 0.00 |
| 14 | Ms. Neelam Bhatia | 9800 | 0.24 | 0.00 | 9800 | 0.24 | 0.00 | 0.00 |
| 15 | Mrs. Shilpa Bhatia | 9500 | 0.23 | 0.00 | 9500 | 0.23 | 0.00 | 0.00 |

C. Change in Promoters' Shareholding

| S. No. | Name | Particulars | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|--------------------------------|------|-------------|---|----------------------------------|-------------------------------------|----------------------------------|
| | | | No. of Shares | % of total Shares of the company | No. of Shares | % of total shares of the company |
| Same as mentioned in 'B' above | | | | | | |

D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

| S. No. | Name | Particulars | 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 | Nau Nidh Finance Limited | Body Corporate | 1000000 | 24.27 | 1000000 | 24.27 |
| 2 | Tarsem Singh | Individual | 110000 | 2.67 | 110000 | 2.67 |
| 3 | Jitender Kumar | Individual | 110000 | 2.67 | 110000 | 2.67 |
| 4 | Sukhdev Singh Dhillon | Individual | 110000 | 2.67 | 110000 | 2.67 |
| 5 | Pradeep Kumar | Individual | 110000 | 2.67 | 110000 | 2.67 |
| 6 | Sandeep Kumar | Individual | 110000 | 2.67 | 110000 | 2.67 |
| 7 | Vijay Kumar | Individual | 100000 | 2.43 | 100000 | 2.43 |
| 8 | Hardeep Singh Wahla | Individual | 100000 | 2.43 | 100000 | 2.43 |
| 9 | Surjeet Singh | Individual | 100000 | 2.43 | 100000 | 2.43 |
| 10 | Bohar Singh | Individual | 100000 | 2.43 | 100000 | 2.43 |
| 11 | Baljinder Kaur | Individual | 100000 | 2.43 | 100000 | 2.43 |

E. Shareholding of Directors and Key Managerial Personnel

| S. No. | Name | Particulars | 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 |
| Not Any | | | | | | |

V. INDEBTEDNESS:

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 0.00 | 0.00 | 0.00 | 0.00 |
| ii) Interest due but not paid | 0.00 | 0.00 | 0.00 | 0.00 |
| iii) Interest accrued but not due | 0.00 | 0.00 | 0.00 | 0.00 |
| Total (i+ii+iii) | 0.00 | 0.00 | 0.00 | 0.00 |
| Change in Indebtedness during the financial year | | | | |
| Addition | 0.00 | 1000000.00 | 0.00 | 1000000.00 |
| Reduction | 0.00 | 0.00 | 0.00 | 0.00 |
| Net Change | 0.00 | 1000000.00 | 0.00 | 1000000.00 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 0.00 | 1000000.00 | 0.00 | 1000000.00 |
| ii) Interest due but not paid | 0.00 | 0.00 | 0.00 | 0.00 |
| iii) Interest accrued but not due | 0.00 | 0.00 | 0.00 | 0.00 |
| Total (i+ii+iii) | 0.00 | 1000000.00 | 0.00 | 1000000.00 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

| S. No. | Name of MD/WTD/ Manager | Gross Salary | | | Stock Option | Sweat Equity | Commission | | Others | Total | Ceiling as per the Act |
|--------|-------------------------|---|---|--|--------------|--------------|-------------|--------|--------|-------|------------------------|
| | | (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 | | | As % profit | Others | | | |
| 1. | Mr. Divesh Kumar Bajaj | 8,00,000 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

B. Remuneration to other directors

| S. No. | Name of Director | Independent Directors | | | Total 1 | Other Non-Executive Director | | | Total (2) | Total (1+2) | Total Managerial Remuneration | Overall Ceiling as per the Act |
|---------|------------------|---|------------|--------|---------|--|------------|--------|-----------|-------------|-------------------------------|--------------------------------|
| | | Fee for attending board/ committee meetings | Commission | Others | | Fee for attending board committee meetings | Commission | Others | | | | |
| NOT ANY | | | | | | | | | | | | |

c. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

| S. No. | Name of Key Managerial Personnel | Gross Salary | | | Stock Option | Sweat Equity | Commission | | Others | Total |
|--------|--|--|---|--|--------------|--------------|-------------|--------|--------|--------|
| | | (a) Salary as per provision 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 | | | As % profit | Others | | |
| 1. | Praveen Kumar (Company Secretary) resigned w.e.f. 17th July 2015 | 60,000 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | 60,000 |
| 2. | Nitin Gupta (Company Secretary) resigned w.e.f. 30th July 2015 | 20,000 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | 20,000 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

| Type | Section of the excluding deposits | Brief Description | Detail of Penalty/Punishment/ Compounding fees imposed | Authority [RD/NCLT] Court] | Appeal made, if any (give Details) |
|--------------------------------------|-----------------------------------|-------------------|--|----------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty Punishment Compounding | | | NOT ANY | | |
| B. DIRECTORS | | | | | |
| Penalty Punishment Compounding | | | NOT ANY | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty Punishment Compounding | | | NOT ANY | | |

**For & on behalf of Board of Directors
Vani Commercials Limited**

Date: 24th May, 2016 **Divesh Kumar Bajaj** **Mukesh Kumar Sukhija**
Place: New Delhi **Managing Director & CFO** **Director**
DIN: 01118288 **DIN: 01038078**

Vani Commercials Limited
 Regd. Off.: 'AASTHA', LP – 11C,
 Pitampura, New Delhi – 110034
 CIN: L74899DL1988PLC106425
 Email ID: info@vanicommercials.com

FORM NO. MR – 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st MARCH 2016
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,
M/s Vani Commercials Limited
C/o 'AASTHA', LP-11C, Pitampura,
New Delhi – 110034

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **VANI COMMERCIALS LIMITED**, a Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 'AASTHA', LP-11C, Pitampura, New Delhi - 110034 (hereinafter referred to as the '**Company**') for the period commencing from 1st April 2015 till 31st March 2016 (hereinafter referred to as the '**Audit Period**'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinions thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2016, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
Vani Commercials Limited Annual Report 2015-16

- (ii) The Reserve Bank of India Act, 1934;
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as applicable upto 14th May 2015;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as applicable since 15th May 2015;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable since 1st December 2015;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I have also examined compliance with the applicable clauses of the following:

- (i) The Secretarial Standards issued by The Institute of Company Secretaries of India effective 1st July, 2015
- (ii) The Equity Listing Agreement with the BSE Limited (BSE), which were applicable upto 30th November, 2015 and thereafter SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from 1st December, 2015. It is pertinent to mention here that since SEBI has passed exit order in respect of Gauhati Stock Exchange Limited (GSEL) and UP Stock Exchange Limited (UPSEL) on 27th January 2015 & 9th

June, 2015 respectively therefore the communications with respect to listing compliances are sent only to BSE after 9th June, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act.

Adequate notice is given to all directors for the Board Meetings agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously/by majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has had no specific events/actions that have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Anju Yadav
Practicing Company Secretary
ACS: 32111
CP: 12035

Place: New Delhi
Dated: 10th May, 2016

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

Annexure A'

To,
The Members,
M/s Vani Commercials Limited
C/o 'AASTHA', LP-11C, Pitampura,
New Delhi - 110034

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on the random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: New Delhi
Dated: 10th May, 2016

Anju Yadav
Practicing Company Secretary
ACS: 32111
CP: 12035

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company's main object is Non-banking Finance activities. The market for this activity offers high potential for growth. The Company is carried on the business of NBFIs and is operating from Delhi. There have been a number of causes behind growth of Indian economy in last couple of years. A number of market reforms have been instituted by Indian government and there has been significant amount of foreign direct investment made in India. Much of this amount has been invested into several businesses including knowledge process outsourcing industries. India's foreign exchange reserves have gone up in last few years. Real estate sector as well as information technology industries of India have taken off. Capital markets of India are doing pretty well too. All these factors have contributed to growth of Indian economy.

BUSINESS SCENARIO

Non-Banking Finance Companies (NBFCs) are an integral part of the country's financial system because of their complementary as well as competitive role. They act as a critical link in the overall financial system catering to a large market of niche customers. In spite of strong competition faced by the NBFCs, the inner strength of NBFCs viz local knowledge, credit appraisal skill, well trained collection machinery, close monitoring of borrowers and personalized attention to each client, are catering to the needs of small and medium enterprises in the rural and semi urban area. However, as a result of consolidation and restructuring in the financial sector and liberalisation and globalisation of markets only few strong NBFCs now remain in business.

On the regulatory front, NBFCs are regulated by the Reserve Bank of India (RBI) almost at par with banks. All the prudential norms for asset classification, income recognition, provisioning etc., are applicable to NBFCs in India. Given the continuously high levels of inflation throughout the year, the Reserve Bank of India (RBI) has no option but to tighten monetary policies. This has resulted in an increase in domestic interest rates. The environment of high interest rates has a negative impact on sentiments of industries. Measures of risk aversion have not risen, though equity markets in most regions have posted significant gains and financial stresses have been limited.

OPPORTUNITIES AND THREATS

The performance of capital market in India has a direct correlation with

the prospect of economic growth and political stability. Though the growth projections for FY 2015-16 appear reassuring, there are certain downside risks such as pace and shape of global recovery, effect of withdrawal of fiscal stimulus and hardening of commodity prices. Accommodative monetary policies in advanced economies, coupled with better growth prospects in Emerging Markets (EMs) including India, are expected to trigger large capital inflows in EMs which in turn could lead to inflationary pressures and asset price bubble. Our business performance may also be impacted by increased competition from local and global players operating in India, regulatory changes and attrition of employees. With growing presence of players offering advisory service coupled with provision of funds for the clients' needs, we would face competition of unequal proportion. We continuously tackle this situation by providing increasingly superior customized services.

In financial services business, effective risk management has become very crucial. As an NBF, your Company is exposed to credit risk, liquidity risk and interest rate risks. Your company has in place suitable mechanisms to effectively reduce such risks. All these risks are continuously analysed and reviewed at various levels of management through an effective information system. The Company is having excellent Board of Directors who are Expert in financial sector, and are helping the Company in making good Investment. The company is also facing risk of heavy ups and down in stock market which have been minimized due to risk management system of our company.

OUTLOOK AND FUTURE PROSPECTS

Competition continues to be intense, as the Indian and foreign banks have entered the retail lending business in a big way, thereby exerting pressure on margins. The erstwhile providers of funds have now become competitors. NBFs can sustain in this competitive environment only through optimization of funding costs, identification of potential business areas, widening geographical reach, and use of technology, cost efficiencies, strict credit monitoring and raising the level of customer service.

RISKS & CONCERNS

In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organization's success. Globalization, with increasing integration of markets, newer and more

complex products & transactions and an increasingly stringent regulatory framework has exposed organisations to newer risks. As a result, today's operating environment demands a rigorous and integrated approach to risk management. Timely and effective risk management is of prime importance to our continued success. Increased competition and market volatility has enhanced the importance of risk management. The sustainability of the business is derived from the following:

- Identification of the diverse risks faced by the company.
- The evolution of appropriate systems and processes to measure and monitor them.
- Risk management through appropriate mitigation strategies within the policy framework.
- Monitoring the progress of the implementation of such strategies and subjecting them to periodical audit and review.
- Reporting these risk mitigation results to the appropriate managerial levels.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The brief on Financial Performance of the Company is already provided in the Boards' Report of the Company.

HUMAN RESOURCES

The Company's relations with the employees continued to be cordial.

SEGMENT-WISE OR PRODUCT WISE PERFORMANCE

The company operates in only single segment. Hence segment wise performance is not applicable.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective system of accounting and administrative controls supported by an internal audit system with proper and adequate system of internal check and controls to ensure safety and proper recording of all assets of the Company and their proper and authorised utilization.

As part of the effort to evaluate the effectiveness of the internal control systems, your Company's internal audit department reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. The internal audit department is manned by highly qualified

and experienced personnel and reports directly to the Audit Committee of the Board. The Audit Committee regularly reviews the audit findings as well as the, an Information Security Assurance Service is also provided by independent external professionals. Based on their recommendations, the Company has implemented a number of control measures both in operational and accounting related areas, apart from security related measures.

CAUTIONARY STATEMENT

This report describing the companies activities, projections about future estimates, assumptions with regard to global economic conditions, government policies, etc. may contain “forward looking statements” based on the information available with the company. Forward-looking statements are based on certain assumptions and expectations of future events. These statements are subject to certain risks and uncertainties. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results may be different from those expressed or implied since the company’s operations are affected by the many external and internal factors, which are beyond the control of the management. Hence the company assumes no responsibility in respect of forward-looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

Company follows all Mandatory Accounting Standards.

**For & on behalf of Board of Directors
Vani Commercials Limited**

| | | |
|--|------------------------------------|-----------------------------|
| Date: 24th May, 2016 | Divesh Kumar Bajaj | Mukesh Kumar Sukhija |
| Place: New Delhi | Managing Director & CFO | Director |
| | DIN: 01118288 | DIN: 01038078 |

Vani Commercials Limited
Regd. Off.: 'AASTHA', LP – 11C,
Pitampura, New Delhi – 110034
CIN: L74899DL1988PLC106425
Email ID: info@vanicommercials.com

INDEPENDENT AUDITOR'S REPORT

To the Members of VANI COMMERCIALS LIMITED Report on the Financial Statements

1. We have audited the accompanying financial statements of VANI COMMERCIALS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the (Standalone) * Financial Statements

2. The management and Board of Directors of the Company are 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 Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are 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

3. 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 thereunder. 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.

4. An audit involves performing procedures to obtain audit evidence about the amounts and 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2016, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.

8. As required by section 143(3) of the Act, we further 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 appears from our examination of those books;
- c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with the applicable 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, and 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; and
 - g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - 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; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. As such the question of delay in transferring such sums does not arise.

For **Satyendra Mrinal & Associates**
Chartered Accountants
FRN: 017068N

S. K. Jain
Partner
M.No. 086103

Place: New Delhi
Date : 24/05/2015

Annexure A-referred to in paragraph 7 Our Report of even date to the members of VANI COMMERCIALS LIMITED on the accounts of the company for the year ended 31st March, 2016

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets ;
(b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;
(c) As the Company has not acquired any movable property during the year under audit, no comments under the sub-clause are required;
- ii. The Company does not have any inventory. Hence, the requirement of clause (ii) of paragraph 3 of the said Order is not applicable to the Company.
- iii. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. However, the Company has given a sum of ₹ 35,00,000/- as Share Application Money to one of the related parties and the Company is yet to receive the shares.
- iv. The Company being a Non Banking Financial Company duly registered with the Reserve Bank of India, the provisions of the Section 185 & 186 are not applicable to the Company.
- v. The provisions of 73 to 76 of the Companies Act, 2013 are not applicable to the Company, being a Non Banking Finance Company.
- vi. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act
- vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Income-tax and other statutory dues, as applicable, with the appropriate authorities in India ;
(b) According to the information and explanations given to us and based on the records of the company examined by us, there are

no dues of Income Tax which have not been deposited on account of any disputes. However the remaining taxes specified under the said sub-clause are not applicable to the Company.

- viii. According to the records of the company examined by us and as per the information and explanations given to us, the company has not availed of any loans from any financial institution, banks or Government and has not issued debentures, during the year under audit.
- ix. The Company during the year under review has not raised any money by way of Initial Public Offer or further public offer (including debt instruments) and the Company has not raised/taken any terms loans.
- x. As per the information/explanation submitted to us no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported, during the year.
- xi. The Company has complied with the provisions of the Section 197 read with Schedule V of the Companies Act, 2013.
- xii. The Company is not a nidhi Company thus no comments are required.
- xiii. The Company has entered into the transaction with the related parties as stated hereunder:
 - A. Rent 1,50,000/- to the Director (Mukesh Kumar Sukhija)
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit.
- xv. The Company has not entered into any non cash transactions with directors or persons connected with him during the year under audit.
- xvi. The Company is a Non Banking Finance Company duly registered with the Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act, 1934.

For **Satyendra Mrinal & Associates**
Chartered Accountants
FRN: 017068N

S. K. Jain
Partner
M.No. 086103

Place: New Delhi
Date : 24/05/2016

Annexure B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Vani Commercials Limited ('the Company') as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and efficient maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 were 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the 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 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 the receipts and expenditures of the Company are being made only in accordance with authorizations of the 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 asset 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 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 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Satyendra Mrinal and Associates
Chartered Accountants
FRN: 017068N

Place: New Delhi
Date: 24/05/2016

S.K. JAIN
Partner
M.NO.086103

VANI COMMERCIALS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2016

Amount in ₹

| Particulars | Note No. | As At | |
|---|----------|---------------|---------------|
| | | 31.03.2016 | 31.03.2015 |
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholder's Funds | | | |
| (a) Share Capital | 2 | 41,198,000.00 | 41,198,000.00 |
| (b) Reserves and Surplus | 3 | 67,424.00 | (152,584.00) |
| (c) Money received against share warrants | | - | - |
| | | 41,265,424.00 | 41,045,416.00 |
| (2) Shares pending allotment | | | |
| (3) Non-Current Liabilities | | | |
| (a) Long-term borrowings | 4 | 1,000,000.00 | - |
| (b) Deferred tax liabilities (Net) | 5 | 1,095.00 | 1,486.00 |
| (c) Other Long term liabilities | | - | - |
| (d) Long term provisions | 6 | 51,482.00 | - |
| | | 1,052,577.00 | 1,486.00 |
| (4) Current Liabilities | | | |
| (a) Short-term borrowings | | - | - |
| (b) Trade payables | 7 | 45,000.00 | 40,000.00 |
| (c) Other current liabilities | 8 | 869,468.00 | 666,907.00 |
| (d) Short-term provisions | 9 | 45,166.00 | - |
| | | 959,634.00 | 751,645.00 |
| Total | | 43,277,635.00 | 41,798,547.00 |
| II. ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Fixed assets | 10 | | |
| (i) Tangible assets | | 85,835.00 | 79,648.00 |
| (ii) Intangible assets | | - | - |
| (iii) Capital work-in-progress | | - | - |
| (iv) Intangible assets under development | | - | - |
| (b) Non-current investments | 11 | 19,568,500.00 | 19,568,500.00 |
| (c) Deferred tax assets (net) | | - | - |
| (d) Long term loans and advances | 12 | 20,592,777.00 | 18,816,517.00 |
| (e) Other non-current assets | 13 | 296,720.00 | 445,080.00 |
| | | 40,543,832.00 | 38,909,745.00 |
| (2) Current assets | | | |
| (a) Current investments | | - | - |
| (b) Inventories | | - | - |
| (c) Trade receivables | | - | - |
| (d) Cash and cash equivalents | 14 | 1,053,027.00 | 1,045,746.00 |
| (e) Short-term loans and advances | 15 | 340,000.00 | 800,000.00 |
| (f) Other current assets | 16 | 1,340,776.00 | 2,888,802.00 |
| | | 2,733,803.00 | 4,734,548.00 |
| Total | | 43,277,635.00 | 41,798,547.00 |
| Significant Accounting Policies and other information on financial Statements | 1-31 | | |

As per our Report of even date
For Satyendra Mrinal & Associates
Chartered Accountants
FRN: 017068N

For and on behalf of the Board of Directors
For Vani Commercials Limited

S.K. Jain
Partner
M.No. 086103

Divesh Kumar Bajaj
Managing Director & CFO
DIN: 01118288

Mukesh Kumar Sukhija
Director
DIN: 01038078

Praveen Kumar
Company Secretary
M.No. : A32898

Place : New Delhi
Dated : 24th May 2016

Vani Commercials Limited
Regd. Off.: 'AASTHA', LP - 11C,
Pitampura, New Delhi - 110034
CIN: L74899DL1988PLC106425
Email ID: info@vanicommercials.com

Vani Commercials Limited Annual Report 2015-16

VANI COMMERCIALS LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2016
Amount in ₹

| Particulars | Note No. | 2015-16 | 2014-15 |
|---|----------|---------------------|---------------------|
| I. Revenue from operations | 25 | 2,834,049.00 | 2,160,955.00 |
| II. Other Income | 26 | 155,187.00 | 114,745.00 |
| III. Total Revenue | I+II | 2,989,236.00 | 2,275,700.00 |
| IV. Expenses: | | | |
| Employee benefit expense | 27 | 1,281,450.00 | 545,000.00 |
| Financial costs | 28 | 573.00 | 1,196.00 |
| Depreciation and amortization expense | 29 | 42,813.00 | 13,325.00 |
| Other expenses | 30 | 1,296,508.00 | 1,389,911.00 |
| IV. Total Expenses | | 2,621,344.00 | 1,949,432.00 |
| V. Profit before exceptional and extraordinary items and tax | III-IV | 367,892.00 | 326,268.00 |
| VI. Exceptional Items | | - | - |
| VII. Profit before extraordinary items and tax | V-VI | 367,892.00 | 326,268.00 |
| VIII. Extraordinary Items | | - | - |
| IX. Profit before tax | VII-VIII | 367,892.00 | 326,268.00 |
| X. Tax expense: | | | |
| (1) Current tax | | 96,793.00 | 82,055.00 |
| (2) Deferred tax | | (391.00) | 1,486.00 |
| (3) Provision for standard assets of NBFCs | | 51,482.00 | - |
| XI. Profit(Loss) from the period from continuing operations | IX-X | 220,008.00 | 242,727.00 |
| XII. Profit/(Loss) from discontinuing operations | | - | - |
| XIII. Tax expense of discontinuing operations | | - | - |
| XIV. Profit/(Loss) from Discontinuing operations | XII-XIII | - | - |
| XV. Profit/(Loss) for the period | XI+XIV | 220,008.00 | 242,727.00 |
| XVI. Earning per equity share: | 31 | | |
| (1) Basic | | 0.05 | 0.06 |
| (2) Diluted | | 0.05 | 0.06 |

Notes forming part of the financial statements 1-17

As per our Report of even date
For Satyendra Mrinal & Associates
Chartered Accountants
FRN: 017068N

For and on behalf of the Board of Directors
For Vani Commercials Limited

S.K. Jain
Partner
M.No. 086103

Divesh Kumar Bajaj
Managing Director & CFO
DIN: 01118288

Mukesh Kumar Sukhija
Director
DIN: 01038078

Praveen Kumar
Company Secretary
M.No. : A32898

Place : New Delhi
Dated : 24th May 2016

Vani Commercials Limited
Regd. Off.: 'AASTHA', LP - 11C,
Pitampura, New Delhi - 110034
CIN: L74899DL1988PLC106425
Email ID: info@vanicommercials.com

Vani Commercials Limited Annual Report 2015-16

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in ₹

| Particulars | 2015-16 (Rs.) | 2014-15 (Rs.) |
|---|--------------------|---------------------|
| A. Cash Flow from Operating Activities : | | |
| Profit/(Loss) before Taxation | 367,892 | 326,268 |
| Adjustments for : | | |
| Depreciation | 42,813 | 13,325 |
| Preliminary Exp | 148,360 | 175,273 |
| Loss / (Profit) on Sale of assets | - | - |
| Finance cost | 573 | 1,196 |
| Interest Income | - | - |
| Operating Profit/(Loss) before Working Capital Changes | 559,638 | 516,062 |
| Adjustments for : | | |
| Trade and Other Receivables | - | - |
| Inventories | - | - |
| Trade and Other Payables | 207,561 | (63,445) |
| Provisions | 428 | - |
| Other current Assets | (297,720) | (960,342) |
| Cash Generated from Operations | 469,907 | (507,725) |
| Direct Tax Paid | (96,793) | (82,055) |
| Net Cash generated from Operating Activities | 373,114 | (589,780) |
| B. Cash Flow from Investing Activities | | |
| Purchase of Fixed Assets | (49,000) | (92,973) |
| Sale of assets | - | - |
| Loans and Advances | (1,316,260) | (4,904,449) |
| Investments | - | (15,568,500) |
| Interest Income | - | - |
| Net Cash used in Investing Activities | (1,365,260) | (20,565,922) |
| C. Cash Flow from Financing Activities | | |
| Proceeds of Borrowings | 1,000,000 | - |
| Proceeds of Issuance of share capital | - | 21,000,000 |
| Finance cost | (573) | (1,196) |
| Net Cash generated from in Financing Activities | 999,427 | 20,998,804 |
| Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C) | 7,281 | (156,898) |
| Cash and Cash Equivalents: Opening | 1,045,746 | 1,202,644 |
| Cash and Cash Equivalents: Closing | 1,053,027 | 1,045,746 |

Notes:

1.The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard on Cash Flow Statement (AS-3). 2. Figures in Brackets indicate Cash Outflow. 3.Previous Year's figures have been recast, regrouped and restated where ever necessary.

As per our Report of even date

For Satyendra Mrinal & Associates
Chartered Accountants
FRN: 017068N

For and on behalf of the Board of Directors
For Vani Commercials Limited

S.K. Jain
Partner
M.No. 086103

Divesh Kumar Bajaj
Managing Director & CFO
DIN: 01118288

Mukesh Kumar Sukhija
Director
DIN: 01038078

Praveen Kumar
Company Secretary
M.No. : A32898

Place : New Delhi
Dated : 24th May 2016

Vani Commercials Limited
Regd. Off.: 'AASTHA', LP – 11C,
Pitampura, New Delhi – 110034
CIN: L74899DL1988PLC106425
Email ID:info@vanicommercials.com

Vani Commercials Limited Annual Report 2015-16

Notes Forming Part of Financial Statements

NOTE: 1

A. CORPORATE INFORMATION

The company is a Non-banking Financial Company (NBFC) duly registered with Reserve Bank of India and is engaged in the business of NBFIs.

B. SIGNIFICANT ACCOUNTING POLICIES :

1. **BASIS OF PREPARATION**

The accompanying financial statements have been prepared and presented as a going concern, under historical cost convention, on the accrual basis of accounting unless otherwise stated in accordance with the generally accepted accounting principles in India (Indian GAAP) and comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (The Act), read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and relevant provision of the Companies Act, 2013.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities.

2. **USE OF ESTIMATES**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Significant estimates used by the management in the preparation of these financial statements include the useful life of fixed assets and intangible assets and provisions for doubtful debts/advances. Difference, if any, between the actual results and estimates are recognized in the period in which the results are known/ materialized.

3. PROVISIONS FOR STANDARD/NON PERFORMING ASSETS

The Company makes provision for Finance receivables based on the prudential norms issued by the RBI relating to income recognition, asset classification and non-performing assets as early implemented by the Company.

The Company makes a provision on all outstanding standard assets as per the prudential norms/guidelines issued by the RBI.

4. FIXED ASSETS AND DEPRECIATION

Fixed assets are recorded at cost of acquisition and installation including freight, duties, levies less accumulated depreciation. Cost of acquisition includes rates, taxes, and any other directly attributable cost for bringing the asset to its working condition for intended use.

Depreciation on Tangible Fixed Assets is provided on Written Down Value method using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013, or estimated by the management. The Company has used the following useful life to provide depreciation on its fixed assets.

A: Assets where useful life is same as Schedule II

| Assets | Useful Life as Prescribed by Schedule II of the Companies Act, 2013 |
|---|---|
| Factory Building | 30 years |
| Plant & Machinery (other than continuous process plant not covered under specific industries) | 15 years |
| Furniture & Fittings | 10 years |
| Motor Cycles, scooters and other mopeds | 10 years |
| Vehicles (Motor Cars) | 8 years |
| Office Equipments | 5 years |
| Computer, printers & data processing units | 3 years |
| Electrical Installations | 10 years |

B: Assets where useful life differ from Schedule II

Fixed Assets, individually costing less than Rupees five thousand, are fully depreciated in the year of purchase.

C. Depreciation

Depreciation on the Fixed Assets added/disposed off/discarded during

the year is provided on pro-rata basis with reference to the date of addition/disposal/discarding and in the case of capitalisation of any asset, depreciation is charged from the date the same is ready/put to use to the Statement of Profit and Loss.

5. INTANGIBLE ASSETS AND AMORTISATION

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight-line basis over their estimated useful lives.

The Company amortises miscellaneous expenditure representing the Company's formation expenses over a period of 5 years. Further, the cost of Direct Listing of Equity Shares on BSE Limited has also been included in the same.

6. BORROWING COSTS

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such assets up to the date when such assets are ready for its intended use. Other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

7. TRANSLATION OF FOREIGN CURRENCY ITEMS

The Company has not dealt with any foreign currency transaction during the Financial Year.

8. INVESTMENTS

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Investments are recorded at cost on the date of purchase, which include acquisition charges such as brokerage, stamp duty, taxes, etc. Current Investments are stated at lower of cost and net realisable value. Long-term investments are stated at cost after deducting provisions made, if any, for other than temporary diminution in the value.

9. REVENUE RECOGNITION

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

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income on investments is accounted for on receipt of the same.

All expenses and income to the extent considered payable and receivable respectively unless specifically stated be otherwise, are accounted for on mercantile basis.

10. RETIREMENT AND OTHER EMPLOYEE BENEFITS

(a) Provident Fund

Provision of Provident Fund is not applicable to the Company.

(b) Gratuity

No provision for gratuity has been made as there is no amount due towards Gratuity payable.

(c) Compensated Leaves

Unutilized leave of staff lapses as at the year end and is not encashable. Accordingly, no provision is made for compensated Leaves.

11. TAXATION

Tax expense comprises of current and deferred tax.

Current Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Minimum Alternative Tax (MAT) credit is recognized where there is convincing evidence that the same can be utilized in future.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain, that sufficient future taxable income will be available.

In case of unabsorbed losses and unabsorbed depreciation, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profit. At each Balance Sheet date, the Company reassesses the unrecognised deferred tax assets.

12. CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

13. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period and for all periods presented is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

14. CONTINGENT LIABILITIES AND PROVISIONS

Contingent Liabilities are possible but not probable obligations as on Balance Sheet date, based on the available evidence.

Provisions are recognised when there is 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 are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date.

C. OTHER SIGNIFICANT NOTES :

1. There are no dues to micro and small-scale enterprises as per The Micro, Small and Medium Enterprises Development Act, 2006 based on information available with the Company.
2. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.
3. No expenses have been admitted other than those reflected in financial Statements.

VANI COMMERCIALS LIMITED

Regd. Off : 'AASTHA' LP-11C PITAMPURA, NEW DELHI-110034

Notes on Financial Statements for the Year ended 31st March 2016

Previous year figures have been regrouped/re-classified, wherever necessary to conform to current year presentation .

2. SHARE CAPITAL

| Share Capital | 31.03.2016 | | 31.03.2015 | |
|---|-------------------|----------------------|-------------------|----------------------|
| | Number | Amount | Number | Amount |
| <u>Authorised</u> Equity Shares of Rs.10/- each | 5,050,000 | 50,500,000.00 | 5,050,000 | 50,500,000.00 |
| <u>Issued</u> Equity Shares of Rs.10/- each | 4,119,800 | 41,198,000.00 | 4,119,800 | 41,198,000.00 |
| <u>Subscribed & Paid up</u> Equity Shares of Rs.10/- each fully paid | 4,119,800 | 41,198,000.00 | 4,119,800 | 41,198,000.00 |
| <u>Subscribed but not fully Paid up</u> Equity Shares of Rs.10/- each not fully paid | 4,119,800 | 41,198,000.00 | 4,119,800 | 41,198,000.00 |
| Total | 4,119,800 | 41,198,000.00 | 4,119,800 | 41,198,000.00 |

2.2. The reconciliation of the number of shares outstanding is set out below :-

| Particulars | Equity Shares | |
|---|----------------------|---------------|
| | Number | Amount |
| Shares outstanding at the beginning of the year | 4,119,800 | 41,198,000 |
| Shares Issued during the year | - | - |
| Shares bought back during the year | - | - |
| Shares outstanding at the end of the year | 4,119,800 | 41,198,000 |

2.3. The detail of shareholders holding more than 5% shares :-

| NAME OF SHARE HOLDER | 31.03.2016 | | 31.03.2015 | |
|--------------------------|--------------------|--------------|--------------------|--------------|
| | NO. OF SHARES HELD | % OF HOLDING | NO. OF SHARES HELD | % OF HOLDING |
| NAU NIDH FINANCE LIMITED | 1,000,000 | 24% | 1,000,000 | 24% |
| Total | 1,000,000 | 24% | 1,000,000 | 24% |

2.4 Change in capital for the period of 5 yrs immediately preceding the date as at which the Balance Sheet is prepared due to :-

| Particulars | Year (Aggregate No. of Shares) | | | | |
|--|--------------------------------|---------|---------|----------|----------|
| | 31.3.12 | 31.3.13 | 31.3.14 | 31.03.15 | 31.03.16 |
| Equity Shares : | | | | | |
| Fully paid up pursuant to contract(s) without payment being received in cash | - | - | - | - | - |
| Fully paid up by way of bonus shares | - | - | - | - | - |
| Shares bought back | - | - | - | - | - |

2.5. Details of Unpaid calls : NIL (Prvs yr : NIL)

| Unpaid Calls | Amount |
|--------------|--------|
| By Directors | - |
| By Officers | - |

2.6. The company do not have any preference share capital

2.7. All equity shares of the company rank parri passu with regards to the rights, preferences & restrictions attaching them.

2.8. Forfeited shares (amount originally paid up) : NIL

2.9. The company does not have any holding company.

3. RESERVES & SURPLUS

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|--|----------------------|----------------------|
| <u>A. Securities Premium Account</u> | - | - |
| <u>B. Capital Reserve</u> | - | - |
| <u>C. Special Reserve (NBFC)</u> | | |
| Opening Balance | 106,160.00 | 89,749.60 |
| Add : additions during the year | 44,002.00 | 16,410.40 |
| Closing Balance | 150,162.00 | 106,160.00 |
| <u>D. Surplus</u> | | |
| Opening balance | (258,744.00) | (485,060.00) |
| (+) Net Profit/(Net Loss) For the current year | 220,008.00 | 242,727.00 |
| (+) Transfer from Reserves | - | - |
| (-) Proposed Dividends/Interim Dividends | - | - |
| (-) prov for tax for prvs years | - | - |
| (-) Transfer to Reserves : special reserve | (44,002.00) | (16,411.00) |
| Closing Balance | (82,738.00) | (258,744.00) |
| Total | 67,424.00 | (152,584.00) |

4. LONG TERM BORROWINGS

| Particulars | 31.3.20.16 | 31.3.2016 | 31.3.2015 | 31.3.2015 |
|---|-----------------------|-------------------|-----------------------|-------------------|
| | Non Current Amount | Current Amount | Non Current Amount | Current Amount |
| <u>A.Secured</u> | - | - | - | - |
| <u>B.Unsecured</u> | | | | |
| a. Term Loans - banks | - | - | - | - |
| - other parties | - | - | - | - |
| b. Loans and advances from related parties | 1,000,000.00 | - | - | - |
| c. Other loans and advances | - | - | - | - |
| Total B | 1,000,000.00 | - | - | - |
| In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to above | | | | |
| 1. Period of default | - | - | - | - |
| 2. Amount | - | - | - | - |
| Total Long Term Borrowings (A+B) | 1,000,000.00 | - | - | - |

4.1. Loans and advances from related parties : Includes Unsecured loan taken from Directors of the company

5. DEFERRED TAX LIABILITY (Net)

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|--|----------------------|----------------------|
| a. Deferred Tax Liability | | |
| Related to Fixed Assets | 1,095.00 | 1,486.00 |
| b. Deferred Tax Asset | | |
| Disallowances under Income Tax Act, 1961 | - | - |
| Total | 1,095.00 | 1,486.00 |

6. LONG TERM PROVISIONS

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|--|----------------------|----------------------|
| (a) Provision for employee benefits | - | - |
| (b) Others | | |
| Provision for standard assets of NBFCs | | |
| Opening Balance | - | - |
| Add : additions during the year | 51,482.00 | - |
| Closing Balance | 51,482.00 | - |
| Total | 51,482.00 | - |

7. TRADE PAYABLES

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|-------------------|----------------------|----------------------|
| a. Trade Payables | 45,000.00 | 40,000.00 |
| b. Others | - | - |
| Total | 45,000.00 | 40,000.00 |

8. OTHER CURRENT LIABILITIES

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|--|----------------------|----------------------|
| (a) Current maturities of long-term debt | - | - |
| (b) Other payables * | 869,468.00 | 666,907.00 |
| Total | 869,468.00 | 666,907.00 |

* Includes statutory dues, security deposit and advance from customers

9. SHORT TERM PROVISIONS

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|-------------------------------------|----------------------|----------------------|
| (a) Provision for employee benefits | - | - |
| (b) Others (Audit fees) | 45,166.00 | 44,738.00 |
| Total | 45,166.00 | 44,738.00 |

10. FIXED ASSETS

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block | | | Rate of Depreciation |
|--|----------------------|------------------------|--|-----------------------------|--------------------------|----------------------|---------------------------|--------------------------------|--------------|-----------------------|-----------------------|----------------------|
| | Balance as at 1/4/15 | Additions/ (Disposals) | Acquired through business combinations | Revaluations/ (impairments) | Balance as at 31/3/16 | Balance as at 1/4/15 | Depreciation for the Year | Adjustment due to revaluations | On disposals | balance as at 31/3/16 | Balance as at 31/3/15 | |
| A Tangible Assets | | | | | | | | | | | | |
| OWNASSETS : | | | | | | | | | | | | |
| Land | - | - | - | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - | - | - | 10% |
| Plant and Equipment | - | - | - | - | - | - | - | - | - | - | - | 13.91% |
| Furniture and Fixtures | - | - | - | - | - | - | - | - | - | - | - | 18.10% |
| Vehicles | 43,373.00 | - | - | - | 43,373.00 | 2,768.00 | 10,535.00 | - | - | 13,303.00 | 30,070.00 | 25.89% |
| Office equipment | - | - | - | - | - | - | - | - | - | - | - | - |
| Computers | 49,600.00 | 49,000.00 | - | - | 98,600.00 | 10,557.00 | 32,278.00 | - | - | 42,835.00 | 55,765.00 | 40% |
| Others (specify nature) | - | - | - | - | - | - | - | - | - | - | - | - |
| Sub-Total | 92,973.00 | 49,000.00 | - | - | 141,973.00 | 13,325.00 | 42,813.00 | - | - | 56,138.00 | 85,835.00 | 79,648.00 |
| LEASED ASSETS : | | | | | | | | | | | | |
| Plant and Equipment | - | - | - | - | - | - | - | - | - | - | - | - |
| Others (specify nature) | - | - | - | - | - | - | - | - | - | - | - | - |
| Sub-Total | - | - | - | - | - | - | - | - | - | - | - | - |
| Total A | 92,973.00 | 49,000.00 | - | - | 141,973.00 | 13,325.00 | 42,813.00 | - | - | 56,138.00 | 85,835.00 | 79,648.00 |
| B Intangible Assets | | | | | | | | | | | | |
| Goodwill | - | - | - | - | - | - | - | - | - | - | - | - |
| Others (specify nature) | - | - | - | - | - | - | - | - | - | - | - | - |
| Total B | - | - | - | - | - | - | - | - | - | - | - | - |
| Total A+B | 92,973.00 | 49,000.00 | - | - | 141,973.00 | 13,325.00 | 42,813.00 | - | - | 56,138.00 | 85,835.00 | 79,648.00 |
| PREVIOUS YEAR | - | 92,973.00 | - | - | 92,973.00 | - | 13,325.00 | - | - | 13,325.00 | 79,648.00 | - |
| C Capital Work In Progress | | | | | | | | | | | | |
| D Intangible assets under Development | | | | | | | | | | | | |

Note : Depreciation on fixed assets has been provided as per WDV rates given in the Companies Act, 2013.

11. NON CURRENT INVESTMENTS

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|---|------------------------------|------------------------------|
| Trade Investments (Refer A below) | | |
| (a) Investment Properties | - | - |
| (b) Investment in Equity instruments | 19,568,500.00 | 19,568,500.00 |
| (c) Other non-current investments | - | - |
| Total (A) | 19,568,500.00 | 19,568,500.00 |
| Other Investments (Refer B below) | | |
| (a) Other non-current investments | - | - |
| Total (B) | - | - |
| Grand Total (A + B) | 19,568,500.00 | 19,568,500.00 |
| Less : Provision for dimunition in the value of Investments | | |
| Total | 19,568,500.00 | 19,568,500.00 |

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|---|------------------------------|------------------------------|
| Aggregate amount of quoted investments (Market value of Rs. 1,53,75,250/- (Previous Year Rs. 1,53,89,228/-) | 19,568,500.00 | 19,568,500.00 |
| Aggregate amount of unquoted investments (Previous Year '___') | - | - |

12. LONG TERM LOANS & ADVANCES

(Unsecured and Considered Good)

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|---------------------------------------|------------------------------|------------------------------|
| Loans and advances to related parties | - | - |
| Other loans and advances | 20,592,777.00 | 18,816,517.00 |
| Total | 20,592,777.00 | 18,816,517.00 |

12.1 Loans and advances due by directors / officers or any of their related party

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|---|------------------------------|------------------------------|
| Directors * | - | - |
| Other officers of the Company * | - | - |
| Firm in which director is a partner * | - | - |
| Private Company in which director is a member | - | - |
| Total | - | - |

13. OTHER NON CURRENT ASSETS

(Unsecured and Considered Good)

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|--|------------------------------|------------------------------|
| Long term trade receivables (incl. trade receivables on deferred credit terms) | - | - |
| Others (Preliminary Expenses to be Not w/off) | 296,720.00 | 445,080.00 |
| Debts due by related parties | - | - |
| Total | 296,720.00 | 445,080.00 |

13.1 Debts due by directors / officers or any of their related party

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|---|------------------------------|------------------------------|
| Directors * | - | - |
| Other officers of the Company * | - | - |
| Firm in which director is a partner * | - | - |
| Private Company in which director is a member | - | - |
| Total | - | - |

14. CASH AND CASH EQUIVALENTS

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|--------------------------|----------------------|----------------------|
| Balances with banks | 752,309.00 | 322,926.00 |
| Cash in hand | 102,718.00 | 722,820.00 |
| Others (Cheques in hand) | 198,000.00 | - |
| Total | 1,053,027.00 | 1,045,746.00 |

*Deposits with banks include, deposit of Rs. NIL (Prev.Yr : Rs.NIL) with maturity of more than 12 months.

15. SHORT TERM LOANS & ADVANCES

(Unsecured and Considered Good)

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|---------------------------------------|----------------------|----------------------|
| Loans and advances to related parties | - | - |
| Other loans and advances | 340,000.00 | 800,000.00 |
| Total | 340,000.00 | 800,000.00 |

15.1 Loans and advances due by directors / officers or any of their related party

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|---|----------------------|----------------------|
| Directors * | - | - |
| Other officers of the Company * | - | - |
| Firm in which director is a partner * | - | - |
| Private Company in which director is a member | - | - |
| Total | - | - |

16. OTHER CURRENT ASSETS (specify nature)

| Particulars | 31.03.2016 Amount | 31.03.2015 Amount |
|--|----------------------|----------------------|
| Interest Accrued on Investments / FDRs | - | - |
| Others | 1,340,776.00 | 1,043,056.00 |
| Total | 1,340,776.00 | 1,043,056.00 |

17. Contingent liabilities and commitments (to the extent not provided for): NIL (Previous Year NIL)

18. The management confirms that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.

19. No expenses have been admitted other than those reflected in financial Statements.

20. Disclosure as to realisable value :

In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated, except as stated below:

| Name of Assets | Realisable Value | Value in Balance Sheet | Opinion of Board |
|----------------|------------------|------------------------|------------------|
| NIL | | | |

21. The balances of sundry creditors, sundry debtors and other parties are subject to confirmation.

22. The Company has no subsidiaries.

23. During the year under reference the Company did not have any employee(s) drawing remuneration equal to or more than the prescribed limits.

24. As per prudential Norms for Income Recognition issued by RBI for NBFC's assets have been duly classified into the category of Non-Performing assets and others. However, there are no non-performing assets/assets doubtful of recovery as on the date of Balance Sheet.

25. REVENUE FROM OPERATIONS

| Particulars | 2015-16 Amount | 2014-15 Amount |
|---------------------------------------|---------------------|---------------------|
| Interest Income from Loans & Advances | 2,834,049.00 | 2,160,955.00 |
| Total | 2,834,049.00 | 2,160,955.00 |

26. OTHER INCOME

| Particulars | 2015-16 Amount | 2014-15 Amount |
|--------------------|---------------------------|---------------------------|
| Interest | 141,209.00 | 58,835.00 |
| Dividend | 13,978.00 | 55,910.00 |
| Total | 155,187.00 | 114,745.00 |

27. EMPLOYEE BENEFITS EXPENSE

| Particulars | 2015-16 Amount | 2014-15 Amount |
|--------------------|---------------------------|---------------------------|
| Salary & Wages | 1,281,450.00 | 545,000.00 |
| Total | 1,281,450.00 | 545,000.00 |

28. FINANCE COSTS

| Particulars | 2015-16 Amount | 2014-15 Amount |
|---|---------------------------|---------------------------|
| Bank Charges | 573.00 | 1,196.00 |
| Other borrowing costs | - | - |
| Applicable net gain/loss on foreign currency transactions and translation | - | - |
| Total | 573.00 | 1,196.00 |

29. DEPRECIATION AND AMORTISATION EXPENSES

| Particulars | 2015-16 Amount | 2014-15 Amount |
|--------------------|---------------------------|---------------------------|
| Depreciation | 42,813.00 | 13,325.00 |
| Others | - | - |
| Total | 42,813.00 | 13,325.00 |

30. OTHER EXPENSES

| Particulars | 2015-16 Amount | 2014-15 Amount |
|--|---------------------------|---------------------------|
| Accounting Charges | 27,000.00 | 27,000.00 |
| Advertisement Expenses | 41,494.00 | 35,003.00 |
| Amortisation of expenses- Preliminary Exp. | 148,360.00 | 175,273.00 |
| Amount W/Off | 70,826.00 | - |
| Cibil Exp | - | 8,427.00 |
| Computer Expenses | 3,874.00 | - |
| Conveyance | 61,873.00 | 42,250.00 |
| Courier & Postage | 20,240.00 | 23,670.00 |
| Demat Exp | - | 1,000.00 |
| Fees To Rta | 22,800.00 | 22,472.00 |
| Festival Expenses | 52,780.00 | - |
| Filing Fee | 14,400.00 | 27,215.00 |
| Listing Fees & Demat Charges | 257,043.00 | 251,129.00 |
| Meeting Exp | 53,200.00 | 18,000.00 |
| Misc. Expenses | 89,880.00 | 50,978.00 |
| News Paper & Periodicals | 9,606.00 | 9,053.00 |
| Payments To Auditors | 22,900.00 | 22,472.00 |
| Printing & Stationery | 62,263.00 | 57,888.00 |
| Professional Fees | 19,000.00 | 490,000.00 |
| Rent | 150,000.00 | - |
| Repair & Maintenance | 18,180.00 | 16,425.00 |
| Staff welfare expenses | 37,892.00 | - |
| Travelling Exp | 112,897.00 | 107,156.00 |
| Website Expenses | - | 4,500.00 |
| Total | 1,296,508.00 | 1,389,911.00 |

30.1 PAYMENT TO AUDITORS

| Particulars | 2015-16 Amount | 2014-15 Amount |
|----------------------------------|---------------------------|---------------------------|
| a. auditor | 22,900.00 | 22,472.00 |
| b. for taxation matters | - | - |
| c. for company law matters | - | - |
| d. for management services | - | - |
| e. for other services | - | - |
| f. for reimbursement of expenses | - | - |
| Total | 22,900.00 | 22,472.00 |

31. EARNING PER SHARE

| Particulars | 2015-16 Amount | 2014-15 Amount |
|--|---------------------------|---------------------------|
| Net Profit after tax as per statement of profit & loss attributable to Equity Shareholders | 220,008.00 | 242,727.00 |
| Weighted Average number of equity shares used as denominator for calculating EPS | 4,119,800 | 4,119,800 |
| Basic and Diluted EPS (Rs) | 0.05 | 0.06 |
| Face Value per Equity Shares (Rs.) | 10.00 | 10.00 |

RELATED PARTY DISCLOSURE

Related parties as per AS 18 with whom transactions have taken place during the year

List of Related Parties & relationship

| Name of Party | Relationship |
|--|---|
| Mr. Divesh Kumar Bajaj | Managing Director & CFO |
| Mr. Mukesh Kumar Sukhija | Director |
| Ms. Pooja Bhatia | Director |
| Ranjitgarh Finance Company Private Limited | Mr. Mukesh Kumar Sukhija is the common director |

Income and Expenses

| Name of related party | Nature | Relationship | 31.03.15 | 31.03.16 |
|--|-------------------------|---|----------|--------------|
| Mr. Divesh Kumar Bajaj | Remuneration | Managing Director & CFO | - | 800,000.00 |
| Mr. Mukesh Kumar Sukhija | Rent | Director | - | 150,000.00 |
| Ranjitgarh Finance Company Private Limited | Share Application Money | Mr. Mukesh Kumar Sukhija is the common director | - | 3,500,000.00 |

Liabilities and Assets

| Particulars | Op. bal | Receipts / Cr | Payments / Dr | Cl. Bal |
|--|---------|---------------|---------------|--------------|
| Remuneration | | | | |
| Mr. Divesh Kumar Bajaj | - | - | 800,000.00 | 800,000.00 |
| Rent | | | | |
| Mr. Mukesh Kumar Sukhija | - | - | 150,000.00 | 150,000.00 |
| Share Application Money | | | | |
| Ranjitgarh Finance Company Private Limited | - | - | 3,500,000.00 | 3,500,000.00 |

Vani Commercials Limited

CIN: L74899DL1988PLC106425

Regd. Off. : 'Aastha', LP-11C, Pitampura, New Delhi-110034

Tel: 011-2732 4080; Fax: 011-2732 4070; Website: www.vanicommercials.com; Email ID: info@vanicommercials.com

ATTENDANCE SLIP

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

| | |
|--------------------------------------|--|
| DP Id & Client Id / Regd. Folio No.* | |
| No. of Shares | |
| Name and Address of the Shareholder | |
| Name and Address of the Proxy | |

*Applicable for member holding shares in physical form.

I/We hereby record my/ our presence at the Twenty Ninth Annual General Meeting of the Company being held on Thursday, 29th September 2016 at 11:30 a.m. at Twist 'n' Turn Banquet, 226-227, Shop-in Park Mall, Shalimar Bagh, New Delhi – 110088. Please (✓) in the box

Member

Proxy

Signature of Member/ Proxy _____

Vani Commercials Limited

CIN: L74899DL1988PLC106425

Regd. Off. : 'Aastha', LP-11C, Pitampura, New Delhi-110034

Tel: 011-2732 4080; Fax: 011-2732 4070; Website: www.vanicommercials.com; Email ID: info@vanicommercials.com

FORM – MGT – 11 - PROXY FORM

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

CIN: L74899DL1988PLC106425

Name of the Company: Vani Commercials Limited

Registered Office: 'Aastha', LP-11C, Pitampura, New Delhi-110034

| | |
|-------------------------|--|
| Name of the Members(s): | |
| Registered Address: | |
| Email ID: | |
| Folio No./Client Id: | |
| DP ID: | |

I/we being the member (s) of _____ Shares of the above named company, hereby appoint

1. Name _____ Address: _____
Email ID _____ Signature: _____ or failing him/her
2. Name _____ Address: _____
Email ID _____ Signature: _____ or failing him/her
3. Name _____ Address: _____
Email ID _____ Signature: _____ or failing him/her

As my /or our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Ninth Annual General Meeting of the company scheduled to be held on the Thursday, 29th September, 2016 at 11:30 a.m. at Twist 'n' Turn Banquet, 226-227, Shop-in Park Mall, Shalimar Bagh, New Delhi – 110088 and at any adjournment thereof in respect of such resolutions as are indicated below:

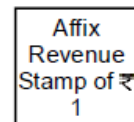
1. Adoption of Financial Statement & reports thereon for the F.Y. ended 31st March, 2016.
2. Re-appointment of Mr. Divesh Kumar Bajaj who retires by rotation.
3. Appointment of M/s Satyendra Mrinal & Associates as Statutory Auditor of the Company.

Signed this _____ day of _____ 20 _____

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not being less than 48 hours before the commencement of the meeting



If undelivered, please return to:



VANI COMMERCIALS LIMITED

Regd. Off.: 'AASTHA', LP-11C,
Pitampura, New Delhi-110034