INDEPENDENT AUDITORS' REPORT

To the Members of
VARDHMAN CAPITAL SERVICES LIMITED

Report on Financial Statements

We have audited the accompanying standalone financial statements of VARDHMAN CAPITAL SERVICES LIMITED which comprise the Balance Sheet as at March 31, 2016, and 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 financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 (" the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, Including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 Directors, as well as evaluating the overall presentation of the financial statements.

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

H.N. JHAVAR & Co. 205 SAPPHIRE HOUSE JAYAMAHAL ROAD BANGALORE CHARTERED ACCOUNTANTS

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
   - a) We have 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, 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) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of information and according to the explanation given to us:
     - (i) The Company has disclosed the impact of pending litigation as at March 31st 2016, on its financial position in its financial statements refer note no. 26 to the financial statements:
     - (ii) The Company has made provisions, as required under the applicable law or accounting standards for material foreseeable losses, if any on long term contracts.
     - (iii) There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31st 2016.

For H N Jhavar & Co.
Chartered Accountants
Firm Reg. No. 000544C

Place: Indore
Date: 31/05/2016

H.N. JHAVAR & CO. 203, SAPPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

(CA Ashish Saboo)
Partner
M.No.079657

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements section of our report of even date)

In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that –

(i)	(a)	The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
	(b)	Major items of fixed assets have been physically verified by the management during the year in accordance with a programmed of verification, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
	©	The company did not own any immovable property hence this clause of the order is not applicable.
(ii)		The Company's business does not involve inventories and, accordingly, the requirements under paragraph 4(ii) of the Order are not applicable to the Company.
(iii)		The company has granted loans to its holding company covered in the register maintained under section 189 of the Companies Act, 2013.
	(a)	The rate of interest and other terms and conditions on which the loans had been granted to the holding company listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the company.
	(b)	In the case of loans granted to the holding company listed in the register maintained under section 189 of the Act, the borrower has been regular in payment of the principal and interest as stipulated.
	(c)	There is no overdue amount in respect of the loans granted to a holding company listed in the register maintained under section 189 of the Act.
(iv)		In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
(v)		The Company has not accepted any deposits from public within the meaning of Section 73 and 74 of the Act and the rules framed there under to the extent notified.
(vi)		The Central Government has not prescribed maintenance of cost records under of sub- section (1) of Section 148 of the Act, for the nature of industry in which the Company is doing business.
(vii)	(a)	Undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess (as applicable) have generally been regularly deposited with the appropriate authorities.
	(b)	No disputed amounts payable in respect of Wealth Tax, Income Tax, Service Tax, Custom Duty, Excise Duty and Cess were in arrears as at 31st March 2016.
	(c)	There is no amount which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act 1956 (1 of 1956) and rules there under.
(viii)		The company has not borrowed any money from any of the banks or financial institutions hence this clause of the order is not applicable.

H.N. JHAVAR & CO. CHARTERED ACCOUNTANTS 203 SAPPHIRE HOUSE 9 NEHRU NAGAR, MAHAKAL INDORE

(ix)		The Company did not raise any money by way of initial public offer or further public offer (including debt instruments), Company has not availed any term loan facility during the year.
(x)		No instance of material fraud on or by the Company, notice or reported during the year, nor have we been informed of any such case by the Management.
(xi)		The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
(xii)		The Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
(xiii)		The transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
(xiv)		The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
(xv)		The Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
(xvi)		The Company is a non-banking financial company and is registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Indore

Date: 31/05/2016

H.N. JHAVAR & CO. 203, SAPPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

For H N Jhavar & Co.
Chartered Accountants
Firm Reg. No. 000544C

Ashish Saboo

(CA Ashish Saboo)
Partner
M.No.079657

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of VARDHMAN CAPITAL SERVICES LIMITED ("the Company") as of 31 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 maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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.

H.N. JHAVAR & CO. 203, SAPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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.

Place: Indore

Date: 31/05/2016

H.N. JHAVAR & Co. 203, SAPPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

For H N Jhavar & Co.
Chartered Accountants
Firm Reg. No. 000544C

(CA Ashish Saboo)
Partner
M.No.079657

VARDHMAN CAPITAL SERVICES LIMITED
CIN U67120PB1994PLC015388

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	As at 31st March, 2016 Rupees	As at 31st March, 2015 Rupees
I. EQUITY AND LIABILITIES			
(1) SHAREHOLDERS' FUNDS			
(a) Share Capital	3	48,50,000.00	48,50,000.00
(b) Reserves and surplus	4	81,62,228.46	80,08,096.48
		1,30,12,228.46	**1,28,58,096.48**
(2) CURRENT LIABILITIES			
(a) Short term borrowings	5	-	-
(b) Trade payables	6	1,50,846.00	1,800.00
(c) Other current liabilities	7	15,800.00	2,000.00
(d) Short-term provisions	8	92,500.00	-
		2,59,146.00	**3,800.00**
TOTAL		1,32,71,374.46	1,28,61,896.48
II. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Fixed assets	9		
(i) Tangible assets		7,794.40	9,168.40
		7,794.40	9,168.40
(b) Non Current Investment	10		-
		7,794.40	**9,168.40**
(2) CURRENT ASSETS			
(a) Trade receivables	11	-	-
(b) Cash and Cash equivalents	12	10,68,570.21	1,27,30,598.08
(c) Short-term loans and advances	13	1,19,41,476.85	1,22,130.00
(d) Other Current assets	14	2,53,533.00	-
0		**1,32,63,580.06**	**1,28,52,728.08**
TOTAL		1,32,71,374.46	1,28,61,896.48

See accompanying notes to the financial statements

In terms of our report attached.

For H N Jhavar & Co
Chartered Accountants
F.R.N. 000544C

H.N. JHAVAR & CO. 203, SAPPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

CA Ashish Saboo
Partner
M.No. 079657
Place : Indore
Dated : 31-05-2016

For and on behalf of the Board of Directors

Vandana Jhawar
Director
DIN: 03377234

Pranav Jhawar
Director
DIN: 00061525

VARDHMAN CAPITAL SERVICES LIMITED

VARDHMAN CAPITAL SERVICES LIMITED
CIN U67120PB1994PLC015388

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31ST MARCH, 2016

Particulars	Note No.	As at 31st March, 2016	As at 31th March, 2015
		Rupees	Rupees
I. Revenue from operations	15	12,75,846.85	1,22,130.00
II. Other income	16	-	13,97,500.00
III. Total Revenue (I + II)		12,75,846.85	15,19,630.00
IV. Expenses:			
Employee benefits expense	17	4,92,000.00	-
Finance costs	18	31,664.87	680.00
Depreciation and amortization expense		1,374.00	9,910.00
Other Expenses	19	4,82,946.00	3,800.00
Total expenses		10,07,984.87	14,390.00
V. Profit before tax (III-IV)		2,67,861.98	15,05,240.00
VI. Tax expense:			
Current tax		92,500.00	-
		92,500.00	-
VII. Profit for the year after tax from continuing operations (V-VI)		1,75,361.98	15,05,240.00
VIII. Earnings per equity share in Rupees (Face Value of Rs. 10/-each)	20		
(1) Basic		0.36	3.10
(2) Diluted		0.36	3.10

See accompanying notes to the financial statements

In terms of our report attached.

For H N Jhavar & Co
Chartered Accountants
F.R.N. 000544C

Ashish Saboo

H.N. JHAVAR & CO. 203, SAPPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

CA Ashish Saboo
Partner
M.No. 079657
Place : Indore
Dated : 31-05-2016

For and on behalf of the Board of Directors

VARDHMAN CAPITAL SERVICES LIMITED

Vandana Jhawar

Vandana Jhawar
Director
DIN: 03377234

Pranav Jhawar
Director
DIN: 00061525

VARDHMAN CAPITAL SERVICES LIMITED
CIN U67120PB1994PLC015388

Notes to the financial statements for the year ended 31st March, 2016

1 **Corporate Information:**

Vardhman Capital Services Limited was incorporated on 30.11.1994 under the Companies Act, 1956. The company is registered as a Non Deposit taking Non-Banking Finance Company under section 45IA of the Reserve Bank of India (RBI) Act, 1934 holding a Certificate of Registration from the Reserve Bank of India ("RBI") received on 24-04-1998. During the year under review in terms of compliance of Non Banking Financial Companies(Approval of Acquisition or Transfer of Control) Directions, 2014 with the approval of the Reserve bank of India(Chandigarh) the Control and Management of the Company was changed in favour of JICS Logistic Ltd. and its Promoters vide approval letter CHD. DNBS/16.02.579/2014-15 issued by the RBI dated 16th December, 2014. Thereafter the company has become a wholly owned subsidary company of JICS Logistic Limited.

2 **Significant Accounting Policies:**

2.1 **BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

Current assets do not include elements which are not expected to be realised within one year and current liabilities do not include items which are due after one year.

2.2 **USE OF ESTIMATES**

The preparation of financial statements require the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses for the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods. Example of such estimates includes provision for non - performing loans, provision for employee benefit plans and provision for income taxes.

2.3 **FIXED ASSETS:**

TANGIBLE ASSETS
Tangible Fixed Assets are carried at cost of acquisition or construction less accumulated depreciation. They are stated at historical costs. Cost comprises of purchase/ acquisition price, import duties, other non-refundable taxes and any directly attributed cost of bringing the asset to its working condition for its intended use.

2.4 **DEPRECIATION ON FIXED ASSETS:**

i) Depreciation on Tangible Fixed Assets is provided on original cost of Fixed Assets on the estimated life on WDV method specified in Schedule II of the Companies Act, 2013..

ii) Depreciation on additions to fixed assets during the year is provided on prorata basis from the date of such additions. Depreciation on assets sold, discarded or demolished is provided on pro-rata basis.

iii) Assets costing less than Rs. 5000 each are fully depreciated in the year of capitalisation

H.N. JHAVAR & CO. 203, SAPPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

Vandana Jhavar

VARDHMAN CAPITAL SERVICES LIMITED

VARDHMAN CAPITAL SERVICES LIMITED
CIN U67120PB1994PLC015388

Notes to the financial statements for the year ended 31st March, 2016

2.5 INVESTMENTS:

Non-current Investments are shown at cost. However, when there is a decline, other than temporary, in the value of a non-current investment, the carrying amount is reduced to recognise the decline.

Current Investments are carried at lower of cost and fair value.

2.6 TIMING OF REVENUE RECOGNITION

Revenue (Income) is recognized when no significant uncertainty as to measurability or collectability exists.

2.7 OPERATING REVENUE

Service revenue is recognized on time proportion basis and excludes service tax.

2.8 INTEREST AND DIVIDEND INCOME

Interest income on loan portfolio is recognised in the statement of Profit and Loss on accrual basis taking into account the amount outstanding and rate applicable except in the case of non-performing assets (NPA's) where it is recognised, upon realisation as per the prudential norms of the RBI.

Dividend income is accounted when the right to receive the dividend is established.

2.9 TAXES ON INCOME

Income Taxes are accounted for in accordance with Accounting Standard (AS 22) – Accounting for Taxes on Income, notified under the Companies (Accounting Standards) Rules, 2006. Income Tax comprises both current and deferred tax.

Current tax is measured at the amount expected to be paid to/recovered from the revenue authorities, using applicable tax rates and laws.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using the substantively enacted tax rates and tax regulations as of the Balance Sheet date. Deferred tax assets are recognised only to the extent that there are timing differences, the reversal of which will result in sufficient income or there is virtual certainty that sufficient taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date.

2.10 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes.

Contingent Assets are neither recognized nor disclosed in the financial statements.

H.N. JHAVAR & CO. 203, SAPPHIRE HOUSE 9, SIKH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

VARDHMAN CAPITAL SERVICES LIMITED

Vandana Jhavar

VARDHMAN CAPITAL SERVICES LIMITED
CIN U67120PB1994PLC015388

Notes to the financial statements for the period ended 31st March, 2016

		As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
3	**Share capital:**				
3.1	**Authorized:**	**Numbers**	**Numbers**	**Rupees**	**Rupees**
	Equity Shares of Rs.10 each	10,00,000	10,00,000	1,00,00,000	1,00,00,000
	TOTAL	**10,00,000**	**10,00,000**	**1,00,00,000**	**1,00,00,000**
3.2	**Issued, Subscribed and Fully Paid-up:**				
	Equity Shares of Rs.10 each	4,85,000	4,85,000	48,50,000	48,50,000
		4,85,000	**4,85,000**	**48,50,000**	**48,50,000**

3.3 **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:**

	Share Capital shares		Share Capital Rupees in lacs	
	Current Year	Previous Year ended 31st March, 2015	**Current Year**	Previous Year ended 31st March, 2015
Equity Shares				
Shares Outstanding as at the beginning of the year	4,85,000	4,85,000	48,50,000.00	48,50,000.00
Add: Issued during the year	-	-	-	-
Shares Outstanding as at the end of the year	**4,85,000**	**4,85,000**	**48,50,000.00**	**48,50,000.00**

H.N. JHAVAR & CO. 203, SAPPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

VARDHMAN CAPITAL SERVICES LIMITED

Vandana Jhawar

VARDHMAN CAPITAL SERVICES LIMITED
CIN U67120PB1994PLC015388

Notes to the financial statements for the period ended 31st March, 2016

3.4 Rights, Preferences and Restrictions attached to Equity Shares:

a) Right to receive dividend as may be approved by the Board of Directors / Annual General Meeting.

b) The Equity Shares are not repayable except in the case of a buyback, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013

c) Every member of the company holding equity shares has a right to attend the General Meeting of the company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his

3.5 List of shareholders who hold more than 5% of shares in the company:

Name of the shareholder	As at 31st March, 2016		As at 31st March, 2015	
	Numbers	%	Numbers	%
Equity Shares:				
JICS Logistic Limited	4,84,994	99.99%	4,84,994	99.99%

3.6 Shares hold by its Holding Company

Name of the shareholder	As at 31st March, 2016		As at 31st March, 2015	
	Numbers	%	Numbers	%
Holding Company				
JICS Logistic Limited	4,84,994	99.99%	4,84,994	99.99%
Total	4,84,994	99.99%	4,84,994	99.99%

H.N. JHAVAR & Co. 203, SAPPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

Vandana Jhavar

VARDHMAN CAPITAL SERVICES LIMITED

VARDHMAN CAPITAL SERVICES LIMITED
CIN U67120PB1994PLC015388

Notes to the financial statements for the period ended 31st March, 2016

	As at 31st March, 2016	As at 31st March, 2015
	Rupees	Rupees
4 Reserves and surplus:		
4.1 Security Premium		
Opening Balance	-	-
Received During the Year	-	-
Closing Balance	-	-
4.2 Surplus - Balance in Statement of Profit and Loss		
Opening Balance	77,07,048.48	65,02,739.48
Add: Profit after Tax for the year	1,75,361.98	15,05,240.00
Add: Income Tax earlier Years	(21,230.00)	117.00
Less : Amount Transfer to Reserve as per Section 45IC of RBI Act 1934	53,572.40	3,01,048.00
Closing Balance	78,07,608.06	77,07,048.48
4.3 Statutory Reserve		
Opening Balance	3,01,048.00	-
Add: Reserve Created during the Year	53,572.40	3,01,048.00
Closing Balance	3,54,620.40	3,01,048.00
Total Reserve & Surplus	81,62,228.46	80,08,096.48
5 Short Term Borrowings		
	-	-
6 Trade payables		
Trade Payables - other than micro and small enterprises	1,50,846.00	1,800.00
	1,50,846.00	1,800.00

There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the information available with the Company. This has been relied upon by the auditors.

7 Other current liabilities:		
(i) Statutory Dues	12,300.00	-
(ii) Audit Fees Payable	3,500.00	2,000.00
	15,800.00	2,000.00
8 Short-term provisions:		
Provision for Tax (Net of Advance Tax)	92,500.00	-
	92,500.00	-

H.N. JHAVAR & CO. 203, SAPPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

VARDHMAN CAPITAL SERVICES LIMITED

Vandana Jhanwar

VARDHMAN CAPITAL SERVICES LIMITED
CIN U67120PB1994PLC015388

Notes to the financial statements for the period ended 31st March, 2016

9 Fixed Assets

Rupees

	Gross Block (At cost)			Accumulated Depreciation			Net Block	
	As at 1st April, 2015	Additions	As at 31st March, 2016	As at 1st April, 2015	For the year	As at 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
a) Tangible Assets								
Furniture & Fixture	1,37,472.00	-	1,37,472.00	1,34,704.28	-	1,34,704.28	2,767.72	2,767.72
Computers	1,00,540.00	-	1,00,540.00	94,139.32	1,374.00	95,513.32	5,026.68	6,400.68
TOTAL	2,38,012.00	-	2,38,012.00	2,28,843.60	1,374.00	2,30,217.60	7,794.40	9,168.40
Previous Year	1,98,012.00	40,000.00	2,38,012.00	1,94,587.60	24,346.00	2,18,933.60	19,078.40	3,424.40

H.N. JHAVAR & CO. 203, SAPPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

VARDHMAN CAPITAL SERVICES LIMITED

Vandana Jhavar

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CIN U67120PB1994PLC015388

Notes to the financial statements for the period ended 31st March, 2016

		As at 31st March, 2016 Rupees	As at 31st March, 2015 Rupees
10	**Non Current Investment**		
	Unquoted Equity Shares	-	-
	Total	-	-
11	**Trade receivables (Unsecured), considered good**		
	Debts Outstanding for more than six months	-	-
	Other debts	-	-
	Total	-	-
12	**Cash and Cash equivalents:**		
	(a) Cash on hand	10,50,678.08	14,51,078.08
	(b) Balances with banks		
	- (i) In current accounts	17,892.13	9,520.00
	- (ii) Cheques in hand	-	1,12,70,000.00
	Total	**10,68,570.21**	**1,27,30,598.08**
13	**Short-term loans and advances:**		
	(Unsecured and considered good)		
	Advances:		
	From Holding Company	11,43,816.85	1,09,917.00
	From Other Corporates	1,06,57,862.00	
	TDS Recievable	1,39,798.00	12,213.00
	Total	**1,19,41,476.85**	**1,22,130.00**
14	**Other current assets**		
	(Unsecured and considered good)		
	MAT Credit Entitlement	2,53,533.00	
	Total	**2,53,533.00**	-

H.N. JHAVAR & CO. 203, SAPPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

VARDHMAN CAPITAL SERVICES LIMITED

Vandana Jhavar

VARDHMAN CAPITAL SERVICES LIMITED
CIN U67120PB1994PLC015388

Notes to the financial statements for the period ended 31st March, 2016

		As at 31st March, 2016	As at 31st March, 2015
		Rupees	Rupees
15	**Revenue from operations**		
	- Income from Interest	12,75,846.85	1,22,130.00
	- Other Income	-	-
	Total	**12,75,846.85**	**1,22,130.00**
16	**Other income:**		
	Profit on Sales of Investment	-	13,97,500.00
	Total	**-**	**13,97,500.00**
17	**Employee benefits expense:**		
	Salaries and Wages	4,92,000.00	-
	Total	**4,92,000.00**	**-**
18	**Finance costs:**		
	- Bank Charges	1,027.87	680.00
	- Other Borrowing Cost	30,637.00	
	Total	**31,664.87**	**680.00**
19	**Other Expenses**		
	Rates and Taxes	89,600.00	1,800.00
	Rent paid	1,47,983.00	-
	Legal & Professional Expenses	1,17,363.00	-
	Audit Fee	3,500.00	2,000.00
	Miscellaneous Expenses	1,24,500.00	-
	Total	**4,82,946.00**	**3,800.00**

H.N. JHAVAR & Co. 203, SAPPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

VARDHMAN CAPITAL SERVICES LIMITED

Vandana Jhawar

VARDHMAN CAPITAL SERVICES LIMITED
CIN U67120PB1994PLC015388

Notes to the financial statements for the period ended 31st March, 2016

	As at 31st March, 2016	As at 31st March, 2015
	Rupees	Rupees

20 **Earnings per share:**

The Numerators and denominators used to calculate Earnings per Share:

Particulars		
Nominal Value of Equity Share (Rs.)	10/-	10/-
Net (Loss) / Profit available for equity shareholders (Rs. In lacs) - (A)	1,75,361.98	15,05,240.00
Weighted Average number of shares outstanding during the year - (B)	4,85,000	4,85,000
Basic and Diluted Earnings Per Share (Rs.) - (A) / (B)	0.36	3.10

H.N. JHAVAR & CO. 203, SAPPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

Vandana Jhawar

VARDHMAN CAPITAL SERVICES LIMITED

VARDHMAN CAPITAL SERVICES LIMITED
CIN U67120PB1994PLC015388

Notes to the financial statements for the year ended 31st March, 2016

		Current Year	*Previous Year ended 31st March, 2015*
		Rupees in lacs	*Rupees in lacs*
21	Payments to Auditors for the year		
	(a) As Auditors	3057.00	2000.00
	(b) For taxation matters	-	-
	(c) Service Tax on above	443.00	-
	Total	3,500.00	2,000.00

22 Segment Reporting - Basis of preparation

(i) Segment information for Primary reporting (by business segment)

The Company has only one reportable business segment Hence information for primary business segment is not given. Since the Company does not have more than one business segment, no separate disclosure for segment information is required to be made as per Accounting Standard (AS -17) "Segment Reporting "notified under the Companies (Accounting Standards) Rules, 2006.

(ii) Segment information for Secondary segment reporting (by geographical segment)

There is no reportable secondary segment.

H.N. JHAVAR & CO. 203, SAPPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

VARDHMAN CAPITAL SERVICES LIMITED

Vandana Jhawar

VARDHMAN CAPITAL SERVICES LIMITED
CIN U67120PB1994PLC015388

Notes to the financial statements for the year ended 31st March, 2016

23 Related Party Disclosures

As per the Accounting Standard 18, the disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

(a) List of related parties and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Gurvinder Kumar Garg	Director (KMP) (up to 01.10.2015)
2	Anil Jhawar	Director (KMP)
3	Pranav Jhawar	Director (KMP)
4	Vandana Jhawar	Director (KMP)
5	JICS Logistic Limited	Holding Company w.e.f 21.01.2015
6	Indra Marshal Power Private Limited	Entities having common members in key management

(b) Transactions during the year with related parties:

Sr. No.	Nature of transaction	Holding Company 1	KMP & Relative of KMP 2	Entities having common members in key management 3	Total 4
(i)	Loan Given	1,12,70,000.00 *(1,12,70,000.00)*	- *(-)*	- *(-)*	1,12,70,000.00 *(1,12,70,000.00)*
(ii)	Loan Repaid	1,01,76,702.00 *(1,12,82,213.00)*	- *(-)*	- *(-)*	1,01,76,702.00 *(1,12,82,213.00)*
(iii)	Interest Received	5,44,888.85 *(1,22,130.00)*	- *(-)*	- *(-)*	5,44,888.85 *(1,22,130.00)*
(iv)	Sales of Investment	- *(-)*	- *(1,13,97,500.00)*	- *(-)*	- *(1,13,97,500.00)*
(v)	Reimburesement of Expenses	*6,16,500.00* *(-)*	- *(-)*		6,16,500.00 *(-)*
(vi)	Rent paid	- *(-)*	- *(-)*	*1,37,400.00* *(-)*	1,37,400.00 *(-)*
(vii)	Balance as at the year-end - Amount Payable	- *(-)*	- *(-)*	*(-)*	- *(-)*
	- Amount Receivable	17,60,316.85 *(1,22,130.00)*	- *(-)*	*(-)*	17,60,316.85 *(1,22,130.00)*

Note: Figures in brackets represent previous year's amounts.

H.N. JHALANI
203, SAPPHIRE HOUSE
9, SIDEY NAGAR,
MAIN ROAD INDORE
CHARTERED ACCOUNTANTS

Vandana Jhawar

VARDHMAN CAPITAL SERVICES LIMITED

VARDHMAN CAPITAL SERVICES LIMITED
CIN U67120PB1994PLC015388

Notes to the financial statements for the year ended 31st March, 2016

24 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the information available with the Company. This has been relied upon by the auditors.

25 Previous year figures have been regrouped and reclassified wherever necessary to correspond to the current years classification/disclosure.

In terms of our report attached.

For H N Jhavar & Co
Chartered Accountants
F.R.N. 000544C

H.N. JHAVAR & CO. 203, SAPHIRE HOUSE 9, SHEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

CA Ashish Saboo
Partner
M.No. 079657
Place : Indore
Dated : 31-05-2016

For and on behalf of the Board of Directors

VARDHMAN CAPITAL SERVICES LIMITED

Vandana Jhawar
Director
DIN: 03377234

Pranav Jhawar
Director
DIN: 00061525

Vandana Jhawar

VARDHMAN CAPITAL SERVICES LIMITED
Cash Flow Statement for the year ended 31st March, 2016

	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
A. Cash flow from operating activities				
Profit before tax		267,861.98		1,505,240.00
Adjustments for:				
Depreciation and amortisation expense	1,374.00		9,910.00	
Profit on sale of Invesments	-		(1,397,500.00)	
Finance costs	31,664.87		680.00	
Operating profit before working capital changes		33,038.87		(1,386,910.00)
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	-		-	
Trade receivables	-		-	
Short-term loans and advances	(11,819,346.85)		1,077,870.00	
Other current assets	(253,533.00)	(12,072,879.85)	-	1,077,870.00
Adjustments for decrease / (increase) in operating liabilities:				
Trade payables	149,046.00		1,800.00	
Other current liabilities	13,800.00		-	
Short-term provisions	92,500.00	255,346.00	(3,107.00)	(1,307.00)
Cash generated from operations		(11,516,633.00)		1,194,893.00
Taxes Paid (Net)		(113,730.00)		117.00
Net cash flow from/(used in) operating activities (A)		(11,630,363.00)		1,195,010.00
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances		-		-
Proceeds from sale of fixed assets		-		10,000,000.00
Profit on sale of Investments				1,397,500.00
Purchase of long-term investments		-		-
Bank balance not considered for Cash and Cash Equivalent				
- Balances held as margin money or security against borrowings, gurantees and other commitments		-		-
Net cash used in investing activities (B)		-		11,397,500.00
C. Cash flow from financing activities				
Proceeds/(Repayment) of long-term borrowings		-		-
Proceeds from other short-term borrowings		-		-
Finance costs		(31,664.87)		(680.00)
Net cash flow from financing activities (C)		(31,664.87)		(680.00)
Net decrease in cash and cash equivalents (A+B+C)		(11,662,027.87)		12,591,830.00
Cash and cash equivalents at the beginning of the year		12,730,598.08		138,768.08
Cash and cash equivalents at the end of the year		1,068,570.21		12,730,598.08

The above cash flow statement has been prepared under the 'Indirect method' set out in Accounting standard - 3 on Cash Flow Statements.

In terms of our report attached
For H N Jhavar & Co
Chartered Accountants
FRN 000544C

Ashish Saboo
Ashish Saboo
Partner
M.N. 079651

H.N. JHAVAR & CO. 203, SAPPHIRE HOUSE 9, SNEH NAGAR, MAIN ROAD, INDORE CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Pranav Jhawar
(Director)
DIN - 00061525

Vandana Jhawar
Vandana Jhawar
(Director)
DIN - 03377234

VARDHMAN CAPITAL SERVICES LIMITED

Place : Indore
Date :31.05.2016

Place : Indore
Date :31.05.2016