



VFS Capital Limited
(Formerly Village Financial Services Limited)
CIN: U51109WB1994PLC063746

Balance Sheet as at March 31, 2024

(Amount in ₹ lakhs unless otherwise stated)

	Note	31st March, 2024	31st March, 2023
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	5,929.74	5,929.74
Reserves and surplus	4	14,571.25	12,277.49
		20,500.99	18,207.23
Non-current liabilities			
Long-term borrowings	5	18,993.48	28,091.86
Long-term provisions	6	1,694.51	2,483.01
		20,687.99	30,574.87
Current liabilities			
Short-term borrowings	7	41,275.91	38,285.90
Trade payables:			
- Total outstanding dues of micro enterprises and small enterprises		17.20	17.18
- Total outstanding dues of creditors other than micro enterprises and small enterprises	8	33.80	24.66
Other current liabilities	9	902.47	1,342.72
Short-term provisions	6	289.34	377.24
		42,518.72	40,047.70
Total		83,707.70	88,829.80
II. ASSETS			
Non-current assets			
Property, Plant and Equipment and Intangible assets			
(i) Property, plant and equipment	10A	707.88	535.78
(ii) Intangible assets	10B	24.43	12.91
Non-current investments	11	5.00	5.00
Deferred tax assets (Net)	12	493.57	730.56
Long-term loans and advances	13	20,859.32	21,988.50
Other non-current assets	14	5,697.90	6,823.46
		27,788.10	30,096.21
Current assets			
Current investments	11	-	-
Cash and bank balances	15	4,027.84	7,594.70
Short-term loans and advances	13	50,630.81	48,339.64
Other current assets	14	1,260.95	2,799.25
		55,919.60	58,733.59
Total		83,707.70	88,829.80

Significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Shankar Saraf & Associates

Chartered Accountants

ICAI Firm Registration No. 85896E

Shankar Saraf

Partner

Membership No: 060678

UDIN:24060678BKEEHO1538

Place : Kolkata

Date : May 08, 2024



For and on behalf of the Board of Directors

VFS Capital Limited

(Formerly Village Financial Services Limited)

Ajit Kumar Maity

Chairman

DIN:00250806

Piyali Deb

Piyali Deb

Company Secretary & Compliance Officer

Membership No: F8883

Kuldip Maity

Managing Director and CEO

DIN:00250869

Subhasis Ghosh

Subhasis Ghosh

Chief Financial Officer



VFS Capital Limited
(Formerly Village Financial Services Limited)
CIN: U51109WB1994PLC063746

Statement of profit and loss for the year ended March 31, 2024 (Amount in ₹ lakhs unless otherwise stated)

	Note	31st March, 2024	31st March, 2023
I. Income			
Revenue from operations	16	17,813.43	16,861.09
Other income	17	71.94	43.71
Total income		17,885.37	16,904.80
II. Expenses			
Employee benefits expense	18	5,382.67	5,280.45
Finance costs	19	7,991.70	7,465.38
Depreciation and amortisation expense	20	90.09	113.32
Provisions and write offs	21	(828.74)	396.22
Other expenses	22	2,281.06	1,880.64
Total expenses		14,916.78	15,136.01
Profit before Tax		2,968.59	1,768.79
Tax expense:			
Current tax		440.18	494.27
Deferred tax		237.00	(126.50)
Tax for earlier year		(2.35)	(0.41)
Total tax expense		674.83	367.36
Profit after tax for the year		2,293.76	1,401.43
Earnings per equity share (EPS)	23		
Basic and diluted (₹)		3.87	2.36
Nominal value of share (₹)		10.00	10.00

Significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Shankar Saraf & Associates
Chartered Accountants
ICAI Firm Registration No. 3258964


Shankar Saraf
Partner
Membership No: 060678
UDIN:24060678BKEEHO1338

Place : Kolkata
Date : May 08, 2024

For and on behalf of the Board of Directors
VFS Capital Limited
(Formerly Village Financial Services Limited)


Ajit Kumar Maity
Chairman
DIN:00250806


Piyali Deb
Company Secretary & Compliance Officer
Membership No: F8883


Kuldip Maity
Managing Director & CEO
DIN:00250869


Subhasis Ghosh
Chief Financial Officer



VFS Capital Limited
(Formerly Village Financial Services Limited)
CIN: U51109WB1994PLC063746

Cash flow statement for the year ended March 31, 2024	(Amount in ₹ lakhs unless otherwise stated)	
	31st March, 2024	31st March, 2023
Cash flow from operating activities:		
Profit before tax and extraordinary items	2,968.59	1,768.79
Adjustments for :		
Gratuity	121.44	77.36
Gain on sale of mutual fund (short term)	(68.05)	(21.52)
Interest on margin money deposits	(620.11)	(473.71)
Provisions and write offs	(828.74)	396.22
Depreciation and amortization	90.09	113.32
Operating profit before working capital changes	1,663.22	1,860.46
Decrease/ (Increase) in loans and advances	642.93	3,194.26
Decrease/ (Increase) in other assets	1,479.39	(559.16)
Increase in current liabilities	(506.58)	637.47
Cash generated from/used in operations	3,278.95	5,133.06
Direct Tax (net)	(686.37)	(188.88)
Net cash generated from/ (used in) operating activities (A)	2,592.59	4,944.18
Cash flow from investing activities:		
Purchase of fixed assets	(277.61)	(64.80)
Investments in short term mutual funds	(17,800.00)	(14,200.00)
Decrease/ (Increase) in term deposits	(2,201.59)	(1,604.73)
Interest on margin money deposits	620.11	473.71
Proceeds of sale of short term mutual funds	17,868.05	14,221.52
Proceeds from sale of fixed assets	3.90	0.40
Net cash used in investing activities (B)	(1,787.14)	(1,173.90)
Cash flow from financing activities:		
Proceeds from borrowings	42,600.00	37,900.00
Repayment of borrowings	(48,708.36)	(40,850.99)
Proceeds from issue of share capital	-	-
Net cash generated from/ (used in) financing activities (C)	(6,108.36)	(2,950.99)
Net increase in cash and cash equivalents (A+B+C)	(5,302.91)	819.29
Cash and cash equivalents at the beginning of the year	5,544.70	4,725.41
Cash and cash equivalents at the end of the year	241.79	5,544.70
Cash and cash equivalents comprises of :		
Balance with banks:		
- in current accounts	186.00	5,362.79
- deposits with original maturity of less than three months	-	-
Cash on hand	55.79	181.91
	241.79	5,544.70

Significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Shankar Saraf & Associates

Chartered Accountants

ICAI Firm Registration No. 325896E

Kolkata

Shankar Saraf
Partner

Membership No: 060678

UDIN:24060678BKEEHO1538

Place : Kolkata

Date : May 08, 2024

For and on behalf of the Board of Directors

VFS Capital Limited

(Formerly Village Financial Services Limited)

Ajit Kumar Maity
Chairman

DIN:00250806

Piyali Deb

Piyali Deb

Company Secretary & Compliance Officer

Membership No: F8883

Kuldip Maity
Managing Director & CEO

DIN:00250869

Subhasis Ghosh

Subhasis Ghosh

Chief Financial Officer



VFS Capital Limited
(Formerly Village Financial Services Limited)
CIN: U51109WB1994PLC063746

Significant Accounting Policies and Notes on Accounts

1. Reporting entity

VFS Capital Limited, formerly Village Financial Services Limited, (here in after referred as "the Company" or "VFS"), is engaged in Micro Finance activities for providing financial services to the poor women in the rural and urban areas of India who are organized as joint liability groups (JLG's). The Company is registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and is classified as a Non-Banking Financial Company – Micro Finance Institution ('NBFC-MFI') with effect from September 27, 2013.

The Company provides small value collateral free loans for income generating activities to poor women.

2. 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). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016, the provisions of the Reserve Bank of India ("RBI") as applicable as per Master Direction-Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023 vide circular No: RBI/DoR/2023-24/105 DoR.FIN.REC.No.45/03.10.119/ 2023-24 dated October 19, 2023 with Master Direction – Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022 RBI/DOR/2021-22/89 DoR.FIN.REC. 95/03.10.038/2021-22 March 14, 2022, as amended from time to time and other applicable clarifications provided by RBI.

The financial statements are prepared on a going concern basis, as the management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on going concern assumption.

The financial statements have been prepared under the historical cost convention on an accrual basis except interest on non-performing loans which is accounted for on realization basis. The accounting policies applied by the Company are consistent with those applied in the previous year, unless specified otherwise.

An asset or liability is respectively classified as current when it is expected to be realized or settled in the Company's normal operating cycle or within 12 months after the reporting date. Current assets and liabilities include current portion of non-current assets and non-current liabilities respectively. All other assets and liabilities are classified as non-current as required by Schedule III of the Companies Act, 2013.

2.1 Significant accounting policies/ accounting estimate

A. Use of estimates

The preparation of financial statements in conformity with the Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and disclosure of contingent liabilities, at the date of the financial statements and the result of the operations during the reporting year end. Although these estimates are made as per 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.

B. Property, plant and equipment

All property, plant and equipment have been stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of assets and are recognized in the statement of profit and loss when the asset is derecognized.

C. Intangible assets

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and accumulated impairment loss, if any.

D. Depreciation and amortization

Depreciation on property, plant and equipment has been provided on the straight-line method over the useful lives of assets estimated by the management, which is consistent with the useful lives prescribed under Schedule II of the Companies Act, 2013.

Intangible assets other than software are amortized on straight line basis over a period of five years. Software is amortized on a straight line basis over a period of three years.



E. Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

F. Impairment

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on internal as well as external factors. An impairment loss is recognized when the carrying amount of the asset is more than its recoverable value which is the greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

G. Borrowing cost

Borrowing costs includes interest which are recognized on time proportion basis taking into account the amount outstanding and the rate applicable on the borrowings.

Loan processing fees and other ancillary fees incurred for arrangement of borrowings from banks and financial institutions are charged to the statement of profit and loss over the period of loan.

H. Revenue recognition

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

(i) Interest income on portfolio loans is recognized in the statement of profit and loss on time proportion basis taking into account the amount outstanding and the rates applicable, except in the case of Non-Performing Assets ("NPAs"), where it is recognized upon realization, as per prudential norms of RBI. Any such income recognized before the assets become non-performing and remaining unrealized are reversed.

(ii) Interest income on deposit with banks or financial institutions is recognized on a time proportion accrual basis taking into account the amount outstanding and the rate applicable.

(iii) Processing fees are recognized as income upfront when it becomes due.

(iv) Profit arising at the time of securitization of loan portfolio is amortized over the life of underlying loan portfolio and any loss arising therefrom is accounted for immediately. Income from interest strip (excess interest spread) is recognized in the statement of profit and loss, net of any losses at the time of actual receipt.

(v) Income from services rendered as business correspondent of banks are accounted on accrual basis as and when such services are rendered.

(vi) All other income are recognized on an accrual basis.

I. Investments

Investments that are readily realizable and intended to be held for not more than one year are classified as current investment, all other investments are classified as long term investment.

Current investments are carried at lower of cost and fair market value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of investments. On disposal of investment, the difference between the carrying amount and net disposal proceeds are charged or credited to the statement of profit and loss.

J. Retirement and other employee benefits

(i) Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable under the scheme. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset.

(ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each year. Actuarial gains and losses for defined benefit plan are recognized in full in the year in which they occur in the statement of profit and loss.

(iii) The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the services.



K. Taxation

(i) Tax expenses comprise of Current and Deferred Tax. Current Income Tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act, 1961. Income Tax computation has been made in compliance with relevant applicable Income Computation & Disclosure Standards as notified by CBDT under Income Tax Act 1961. Deferred Income Taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

(ii) Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

(iii) The carrying amount of the Deferred Tax Assets is reviewed at each Balance Sheet date. The Company writes down the carrying amount of the Deferred Tax Assets to the extent that it is no longer reasonably certain or virtually certain as the case may be, that sufficient future taxable income will be available against which Deferred Tax asset can be realized. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available.

L. Classification of loan portfolio

Loans are classified as follows:

(i) Standard Assets - the asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business;

(ii) Non-performing assets - an asset for which, interest/principal payment has remained overdue for a period of more than 90 days.

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

The above classification is in compliance with the Section VI of Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 vide circular No: RBI/DoR/2023-24/105 DoR.FIN.REC.No.45/03.10.119/ 2023-24 dated October 19, 2023.

M. Provision for portfolio loans

Provision on portfolio loans are made at the higher of management estimate or minimum provision required as per the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 vide circular No: RBI/DoR/2023-24/105 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023. The Management treats a loan as overdue as soon as a scheduled installment is failed.

As per the Section VI of the RBI Master Directions, 2023, the aggregate loan provision to be maintained by NBFC-MFIs at any point of time shall not be less than the higher of a) 1% of the outstanding loan portfolio or b) 50% of the aggregate loan installments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan installments which are overdue for 180 days or more. NBFC-BL shall make provision for standard assets at 0.25 percent of the outstanding, which shall not be reckoned for arriving at net NPAs.

With effect from the financial year 2020-21, the aggregate provision to be maintained by the Company at any point of time shall not be less than the higher of a) 3% of the gross portfolio outstanding or b) 50% of the aggregate loan installments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan installments which are overdue for 180 days or more. Now, after reviewing the quality of the loan portfolio, the management has decided to make provision at 2% of the gross loan portfolio from the financial year 2023-24.

Non-performing loans are written off when the prospect of recovery is considered remote as per the management estimates.

N. Earnings per share

Basic earnings per share is computed by dividing the profit or loss after tax for the year (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

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 year are adjusted for the effects of all dilutive potential equity shares.

O. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, 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. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.





P. Foreign currency transactions

All transactions in foreign currency are recognized at the exchange rate prevailing on the date of the transaction. Foreign currency monetary items are reported using the exchange rate prevailing at the close of the reporting year. Exchange differences arising on the settlement of monetary items or on the restatement of Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Q. Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing, and investing activities of the Company are segregated based on the available information. Cash flows in foreign currencies are accounted at the actual rates of exchange prevailing at the dates of the transactions.

R. Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand and unrestricted amount of cash at bank and unrestricted short-term investments with an original maturity of three months or less.

S. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

T. Government grant

Government grant related to revenue is recognized on a systematic basis in the profit and loss statement. Such grants are deducted from their related expense in the profit and loss statement.



Notes forming part of financial statements

(Amount in ₹ lakhs unless otherwise stated)

Note - 3 : Share capital	31st March, 2024	31st March, 2023
Authorised:		
8,01,40,000 (March 31, 2023: 8,01,40,000) equity shares of ₹ 10/- each	8,014.00	8,014.00
30,00,000 (March 31, 2023: 30,00,000) preference shares of ₹ 10/- each	300.00	300.00
	8,314.00	8,314.00
Issued, subscribed and paid up:		
5,92,97,360 (March 31, 2023: 5,92,97,360) equity shares of ₹ 10/- each	5,929.74	5,929.74
Total issued, subscribed and fully paid-up share capital	5,929.74	5,929.74

Terms/Rights attached to equity shares:

The Company has only one class of equity shares having at par value of ₹10/- per share. Each holder of the equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of the equity will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The reconciliation of number of shares is set out below:

Particulars	31st March, 2024	31st March, 2023
Number of shares at the beginning of the year	59,297,360	44,473,020
Bonus shares issued during the year	-	14,824,340
Number of shares at the end of the year	59,297,360	59,297,360

Details of shareholders holding more than 5% of the aggregate shares of the company:

Particulars	As at 31st March 2024		As at 31st March 2023	
	Equity shares	% of holding	Equity shares	% of holding
Kuldip Maity	53,878,535	90.86	46,987,196	79.24
Mukul Mahavir Prasad Agarwal & M/s. Param Capital Research Pvt. Ltd - Jointly through M/s Param Value Investment	-	-	4,823,927	8.14
IDFC First Bank Limited	4,166,667	7.03	4,166,667	7.03

Details of shareholdings of Promoters:

As on 31st March 2024

Shares held by promoters at the end of the year			% change during the year
Promoter name	No. of shares	% of total shares	
Kuldip Maity	53,878,535	90.86	11.62

As on 31st March 2023

Shares held by promoters at the end of the year			% change during the year
Promoter name	No. of shares	% of total shares	
Kuldip Maity	46,987,196	79.24	--

For the period of five years immediately preceding the Balance Sheet date:

-- On 30.03.23, the Company issued 1,48,24,340 Bonus shares of ₹10/- each amounting to ₹1,482.43 lakhs.

-- On account of Scheme of Amalgamation as approved by Hon'ble NCLT, Kolkata Bench vide its order dated 08-11-2021, 2,98,20,000 Equity Shares @ Rs.10/- each held by M/s Shivam Investment Advisory Private Limited were cancelled and 2,98,20,000 Equity Shares @ Rs.10/- each were allotted by the Company on 07-12-2021.





VFS Capital Limited
(Formerly Village Financial Services Limited)
CIN: U51109WB1994PLC063746

Notes forming part of financial statements

(Amount in ₹ lakhs unless otherwise stated)

Note - 4 : Reserves and surplus	31st March, 2024	31st March, 2023
a. Capital reserve		
Balance as per last financial statements	2.45	2.45
Add: Addition during the year	-	-
Closing Balance	2.45	2.45
b. Securities premium		
Balance as per last financial statements	1,688.22	3,170.65
Less: Capitalized for issue of Bonus Share	-	1,482.43
Add: Addition during the year	-	-
Closing Balance	1,688.22	1,688.22
c. Statutory reserve		
Balance as per last financial statements	2,339.63	2,059.34
Add: Amount transferred from surplus balance in the statement of profit and loss	458.75	280.29
Closing Balance	2,798.38	2,339.63
d. General reserve		
Balance as per last financial statements	513.02	442.95
Add: Amount transferred from surplus balance in the statement of profit and loss	114.69	70.07
Closing Balance	627.71	513.02
e. Surplus		
Balance as per last financial statements	7,734.17	6,683.10
Add: Profit for the year	2,293.76	1,401.43
Amount available for appropriation	10,027.93	8,084.53
<i>Appropriation :</i>		
Transferred to statutory reserve @ 20% of net profit	458.75	280.29
Transferred to general reserve @ 5% of net profit	114.69	70.07
Net surplus in the statement of profit and loss	9,454.49	7,734.17
Total (a+b+c+d+e)	14,571.25	12,277.49

(Amount in ₹ lakhs unless otherwise stated)

Note - 5 : Long-term borrowings	31st March, 2024	31st March, 2023
Rupee Loans:		
Secured:		
Term loans		
-- from Banks/Small Finance Banks	34,231.89	35,143.82
-- from Financial Institutions/NBFCs	21,037.50	26,233.94
	55,269.39	61,377.76
Unsecured:		
Subordinated debt		
-- from Banks	5,000.00	5,000.00
	5,000.00	5,000.00
Total	60,269.39	66,377.76
Less: Current maturities of long-term borrowings disclosed under the head "Short-term borrowings" (Refer Note - 7)	41,275.91	38,285.90
Long-term borrowings	18,993.48	28,091.86





VFS Capital Limited
(Formerly Village Financial Services Limited)
CIN: U51109WB1994PLC063746

Notes forming part of financial statements

NOTE - 5A : Long-term borrowings (Contd....)

Terms of repayment of long term borrowings as on March 31, 2024

(Amount in ₹ lakhs unless otherwise stated)

Description	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 5 years		Above 5 years		Interest Rate (p.a.)	Total
	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount		
Term Loans:												
Secured:												
Monthly repayment schedule												
From Banks:												
0-3 Yrs	264	18,702.71	132	9,386.28	24	1,564.13	-	-	-	-	9.80%-13.20%	29,653.11
From NBFCs/FIs:												
0-3 Yrs	219	16,632.42	12	785.08	-	-					5.15%-14.00%	17,417.50
Total (a)	483	35,335.13	144	10,171.36	24	1,564.13	-	-	-	-		47,070.61
Quarterly repayment schedule												
From Banks:												
0-3 Yrs	12	2,160.78	6	1,462.00	3	956.00	-	-	-	-	8.95% - 12.00%	4,578.78
From NBFCs/FIs:												
0-3 Yrs	12	1,780.00	11	1,540.00	3	300.00	-	-	-	-	9.90% - 11.25%	3,620.00
Total (b)	24	3,940.78	17	3,002.00	6	1,256.00	-	-	-	-		8,198.78
Half-yearly repayment schedule												
From NBFCs/FIs:												
0-3 Yrs	-	-	-	-	-	-	-	-	-	-	-	-
Total (c)	-	-	-	-	-	-	-	-	-	-		-
Bullet repayment schedule												
From NBFCs/FIs:												
0-3 Yrs	-	-	-	-	-	-	-	-	-	-	-	-
Total (d)	-	-	-	-	-	-	-	-	-	-		-
Unsecured:												
Bullet repayment schedule												
From Banks:												
0-3 Yrs	2	2,000.00	1	3,000.00	-	-	-	-	-	-		5,000.00
Total (e)	2	2,000.00	1	3,000.00	-	-	-	-	-	-		5,000.00
Grand Total (a+b+c+d+e)	509	41,275.91	162	16,173.36	30	2,820.13	-	-	-	-		60,269.39

Note:

- (a) The above term loans are secured by hypothecation of portfolio loans covered by deed of hypothecation and term deposits.
(b) The term loans amounting to ₹ 55,269.39 lakhs are guaranteed by the promoter directors of the Company.





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Notes forming part of financial statements

NOTE - 5B : Long-term borrowings (Contd...)

Terms of repayment of long term borrowings as on March 31, 2023

(Amount in ₹ lakhs unless otherwise stated)

Description	Due within 1 year		Due within 1 to 2 years		Due within 2 to 3 years		Due within 3 to 5 years		Above 5 years		Interest Rate (p.a.)	Total
	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount	No. of instalments	Amount		
Term Loans:												
Secured:												
Monthly repayment schedule												
From Banks:												
0-3 Yrs	303	19,261.56	162	10,796.31	48	2,335.99	-	-	-	-	9.50%-13.05%	32,393.86
From NBFCs/FIs:												
0-3 Yrs	174	14,043.79	94	5,130.72	4	116.67	-	-	-	-	4.68%-13.75%	19,291.18
Total (a)	477	33,305.35	256	15,927.03	52	2,452.66	-	-	-	-		51,685.04
Quarterly repayment schedule												
From Banks:												
0-3 Yrs	13	1,657.79	8	902.17	2	190.00	-	-	-	-	10.00% - 11.80%	2,749.96
From NBFCs/FIs:												
0-3 Yrs	10	2,677.76	8	1,480.00	7	1,240.00	-	-	-	-	10.00%-14.25%	5,397.76
3-5 Yrs	4	300.00	4	300.00	4	300.00	3	300.00	-	-	9.90%	1,200.00
Total (b)	27	4,635.55	20	2,682.17	13	1,730.00	3	300.00	-	-		9,347.72
Half-yearly repayment schedule												
From NBFCs/FIs:												
0-3 Yrs	2	345.00	-	-	-	-	-	-	-	-	11.25%	345.00
Total (c)	2	345.00	-	-	-	-	-	-	-	-		345.00
Bullet repayment schedule												
From NBFCs/FIs:												
0-3 Yrs	-	-	-	-	-	-	-	-	-	-	-	-
Total (d)	-	-	-	-	-	-	-	-	-	-		-
Unsecured:												
Bullet repayment schedule												
From Banks:												
3-5 Yrs	-	-	2	2,000.00	1	3,000.00	-	-	-	-	16.00% - 16.50%	5,000.00
Total (e)	-	-	2	2,000.00	1	3,000.00	-	-	-	-		5,000.00
Grand Total (a+b+c+d+e)	506	38,285.90	278	20,609.20	66	7,182.66	3	300.00	-	-		66,377.76

Notes:

(a) The above term loans are secured by hypothecation of portfolio loans covered by deed of hypothecation and term deposits.

(b) The term loans amounting to ₹ 61,032.76 lakhs are guaranteed by the promoter directors of the Company.





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Notes forming part of financial statements

(Amount in ₹ lakhs unless otherwise stated)

Note - 6 : Provisions	Non-current portion		Current portion	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Provision for employee benefits:				
-- Gratuity	-	-	99.25	53.30
Provision for loan loss:				
-- contingent provision against standard assets	71.67	818.94	190.09	323.94
-- against non performing assets	1,622.84	1,664.07	-	-
Total	1,694.51	2,483.01	289.34	377.24

(Amount in ₹ lakhs unless otherwise stated)

Note - 7 : Short-term borrowings	31st March, 2024	31st March, 2023
Current maturities of long-term borrowings (Refer note 5)	41,275.91	38,285.90
Total	41,275.91	38,285.90

(Amount in ₹ lakhs unless otherwise stated)

Note - 8 : Trade payables	31st March, 2024	31st March, 2023
Total outstanding dues of micro enterprises and small enterprises	17.20	17.18
Total outstanding dues of creditors other than micro enterprises and small enterprises	33.80	24.66
Total	51.00	41.84

Trade payables ageing schedule:

The following schedule reflects ageing of trade payables with respect to the date of transactions:

As on 31st March 2024

(Amount in ₹ lakhs unless otherwise stated)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	17.20	-	-	-	17.20
(ii) Others	33.80	-	-	-	33.80
(iii) Disputed dues-MSME	-	-	-	-	-
(iii) Disputed dues-Others	-	-	-	-	-
Sub Total-A	51.00	-	-	-	51.00
(v) Unbilled amount	-	-	-	-	-
Sub Total-B	-	-	-	-	-
Total (A+B)	51.00	-	-	-	51.00

As on 31st March 2023

(Amount in ₹ lakhs unless otherwise stated)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	17.18	-	-	-	17.18
(ii) Others	24.66	-	-	-	24.66
(iii) Disputed dues-MSME	-	-	-	-	-
(iii) Disputed dues-Others	-	-	-	-	-
Sub Total-A	41.84	-	-	-	41.84
(v) Unbilled amount	-	-	-	-	-
Sub Total-B	-	-	-	-	-
Total (A+B)	41.84	-	-	-	41.84

(Amount in ₹ lakhs unless otherwise stated)

Note - 9 : Other current liabilities	31st March, 2024	31st March, 2023
Interest accrued but not due on borrowings	183.64	208.49
Employee benefits and other expenses payable	495.11	667.25
Payable for portfolio loans assigned and securitized	135.19	359.67
Statutory dues payable	88.53	107.31
Total	902.47	1,342.72





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Notes forming part of financial statements

(Amount in ₹ lakhs unless otherwise stated)

Note - 10A : Property, plant and equipment

Cost or Valuation	Building	Furniture and fixtures	Computers	Office equipments	Electrical equipments	Other equipments	Vehicle	Total
Gross Block:								
At 1st April 2022	11.05	599.52	299.68	16.52	81.76	3.76	60.72	1,073.01
Additions for the year	-	27.64	25.98	-	0.59	-	-	54.21
Disposals	-	-	(7.90)	-	-	-	-	(7.90)
As at 31st March 2023	11.05	627.16	317.76	16.52	82.34	3.76	60.72	1,119.32
Additions for the year	-	191.10	1.65	10.05	58.57	-	-	261.36
Disposals	-	-	(3.90)	-	-	-	-	(3.90)
As at 31st March 2024	11.05	818.26	315.51	26.57	140.91	3.76	60.72	1,376.78
Depreciation:								
At 1st April 2022	1.56	176.47	237.93	7.19	37.58	1.44	20.41	482.60
Charge for the year	0.17	53.06	32.04	-	7.55	0.24	15.38	108.44
Disposals	-	-	(7.50)	-	-	-	-	(7.50)
As at 31st March 2023	1.73	229.53	262.47	7.19	45.14	1.68	35.79	583.54
Charge for the year	0.18	31.19	37.62	0.79	9.69	0.08	5.82	85.36
Disposals	-	-	-	-	-	-	-	-
As at 31st March 2024	1.91	260.72	300.09	7.98	54.83	1.76	41.61	668.90
Net Block:								
As at 31st March 2024	9.14	557.54	15.42	18.59	86.08	2.00	19.11	707.88
As at 31st March 2023	9.32	397.63	55.29	9.33	37.21	2.08	24.93	535.78

Note - 10B: Intangible assets

Particulars	Computer softwares	Trademark	Total
Gross Block:			
At 1st April 2022	38.82	0.87	39.68
Additions for the year	10.59	-	10.59
Disposals	-	-	-
As at 31st March 2023	49.40	0.87	50.27
Additions for the year	16.25	-	16.25
Disposals	-	-	-
As at 31st March 2024	65.66	0.87	66.52
Amortization:			
At 1st April 2022	32.00	0.48	32.48
Charge for the year	4.72	0.16	4.88
Disposals	-	-	-
As at 31st March 2023	36.72	0.65	37.36
Charge for the year	4.65	0.08	4.73
Disposals	-	-	-
As at 31st March 2024	41.37	0.73	42.09
Net Block:			
As at 31st March 2024	24.29	0.14	24.43
As at 31st March 2023	12.68	0.21	12.91





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Notes forming part of financial statements

(Amount in ₹ lakhs unless otherwise stated)

Note - 11 : Investments	Non-current portion		Current portion	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Trade Investment				
Investment in equity shares (unquoted) 50,000 fully paid up equity shares of Alpha Micro Finance Consultants Private Limited at face value of ₹10/- per share	5.00	5.00	-	-
Total	5.00	5.00	-	-

(Amount in ₹ lakhs unless otherwise stated)

Note - 12 : Deferred tax assets: non-current (net)	31st March, 2024	31st March, 2023
<i>Deferred tax liabilities on account of:</i>		
Fixed assets: Impact of difference between tax depreciation and depreciation charged for financial reporting	(0.32)	1.83
<i>Deferred tax assets on account of:</i>		
Impact of provision against standard assets and non-performing assets	448.34	678.41
Impact of expenditure charged to statement of profit and loss but allowed for tax purpose on payment basis	45.55	50.32
Impact of provision against other assets	-	-
Total	493.57	730.56

(Amount in ₹ lakhs unless otherwise stated)

Note - 13 : Loans and advances (Unsecured, considered good unless otherwise stated)	Non-current portion		Current portion	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Loan portfolio:				
Considered good	17,917.29	18,874.72	47,522.42	46,921.90
Considered doubtful	1,467.71	1,865.00	-	-
Advances recoverable in cash or kind	35.00	38.00	38.39	17.74
Advance tax (net of provision)	1,076.82	828.28	-	-
Margin money with non-banking financial companies and financial institutions*	362.50	382.50	3,070.00	1,400.00
Total	20,859.32	21,988.50	50,630.81	48,339.64

* Placed as lien towards term loans availed.

(Amount in ₹ lakhs unless otherwise stated)

Note - 14 : Other assets (Unsecured, Considered good unless otherwise stated)	Non-current portion		Current portion	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Non-current bank balances (Refer note - 15)	4,922.77	6,107.23	-	-
Accrued interest on loans	-	-	141.31	2,099.57
Interest accrued but not due on term deposits	437.68	413.52	287.43	140.76
Security deposit for rent and others	62.78	62.50	-	-
Gain receivable on securitisation	-	-	25.56	27.58
Unamortized costs related to borrowings	274.67	240.21	782.01	482.71
Other receivables	-	-	24.64	48.63
Total	5,697.90	6,823.46	1,260.95	2,799.25





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(Amount in ₹ lakhs unless otherwise stated)

Note - 15 : Cash and bank balances	Non-current portion		Current portion	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Cash and cash equivalents:				
Balance with banks				
- on current account	-	-	186.00	5,362.79
- deposits with original maturity of less than three months			-	-
Cash on hand	-	-	55.79	181.91
	-	-	241.79	5,544.70
Other bank balances:				
Deposit with remaining maturity period of less than twelve months (*)	-	-	3,786.05	2,050.00
Deposit with remaining maturity period of more than twelve months (*)	4,922.77	6,107.23	-	-
	4,922.77	6,107.23	3,786.05	2,050.00
Amount disclosed under non-current assets (Refer Note - 14)	(4,922.77)	(6,107.23)	-	-
Total	-	-	4,027.84	7,594.70

* Placed as lien towards term loans availed.





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Notes forming part of financial statements

(Amount in ₹ lakhs unless otherwise stated)

Note - 16 : Revenue from operations	31st March, 2024	31st March, 2023
Interest income on portfolio loans	13,984.13	14,563.21
Service fees	1,454.82	983.16
Income from securitization and direct assignment	1,240.91	39.40
Other operating revenue:		
Processing fee on portfolio loans	512.66	799.91
Interest on margin money deposits	620.11	473.71
Recovery of bad debts	0.80	1.70
Total	17,813.43	16,861.09

(Amount in ₹ lakhs unless otherwise stated)

Note - 17 : Other income	31st March, 2024	31st March, 2023
Gain on sale of mutual fund (short term)	68.05	21.52
Profit on sale of fixed assets	-	0.16
Interest on income tax refund	-	17.32
Other non-operative income	3.89	4.71
Total	71.94	43.71

(Amount in ₹ lakhs unless otherwise stated)

Note - 18 : Employee benefits expense	31st March, 2024	31st March, 2023
Salaries and allowances	4,807.03	4,821.79
Contribution towards provident fund	371.10	300.23
Contribution towards E.S.I.C	79.22	75.75
Gratuity expense	121.44	77.36
Staff welfare expense	3.88	5.32
Total	5,382.67	5,280.45

(Amount in ₹ lakhs unless otherwise stated)

Note - 19 : Finance costs	31st March, 2024	31st March, 2023
Interest expense	6,810.88	7,114.12
Other borrowing costs	1,180.82	351.26
Total	7,991.70	7,465.38

(Amount in ₹ lakhs unless otherwise stated)

Note - 20 : Depreciation and amortization expense	31st March, 2024	31st March, 2023
Depreciation of tangible assets	85.36	108.44
Amortization of intangible assets	4.73	4.88
Total	90.09	113.32

(Amount in ₹ lakhs unless otherwise stated)

Note - 21 : Provisions and write off	31st March, 2024	31st March, 2023
Provision for standard and non-performing assets	(922.35)	396.22
Portfolio loans written off	93.61	-
Total	(828.74)	396.22





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(Amount in ₹ lakhs unless otherwise stated)

Note - 22 : Other expenses	31st March, 2024	31st March, 2023
Rent expenses	592.70	441.17
Consultancy and professional charges	344.07	254.07
Software customization charges	134.57	131.01
Printing and stationery	41.11	56.50
Repair and maintenance	265.92	219.80
Communication expenses	142.31	121.61
Travelling and conveyance	452.72	373.16
Expenses on corporate social responsibility	30.00	40.00
Online collection charges	47.94	-
Training expenses	10.01	16.34
Electricity charges	34.50	36.03
Payment to Auditors (Refer note below)	16.63	15.09
Rates and taxes	50.34	31.70
Security charges	19.56	14.46
Filing fees	0.59	0.68
Subscription	43.27	36.17
Miscellaneous expenses	54.82	92.84
Total	2,281.06	1,880.64

(Amount in ₹ lakhs unless otherwise stated)

Note - 22 (a) : Payment to auditors	31st March, 2024	31st March, 2023
As auditors:		
- Statutory Audit fee	16.00	14.00
- Other services	0.63	1.09
Total	16.63	15.09

