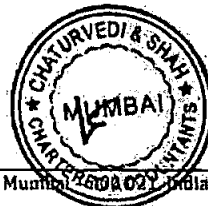


Independent Auditor's Report On Half yearly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of Velankani Information Systems Limited

1. We have audited the financial results of **Velankani Information Systems Limited** ("the Company") for the year ended March 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These financial results which are responsibility of the Company's management and approved by the Board of Directors, have been prepared on the basis of related financial statements, which is in accordance with Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India. Our responsibility is to express an opinion on these financial results based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these financial results:
 - (i) are presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
 - (ii) give a true and fair view in conformity with aforesaid accounting standards and other accounting principles generally accepted in India of the net profit and other financial information for the year ended March 31, 2016.

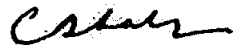


Head Office: 714-715, Tulsiani Chambers, 212, Nariman Point, Mumbai - 400 021, India. Tel. +91 22 3021 8500; Fax +91 22 3021 8595
URL : www.cas.ind.in

Branches: Ahmedabad | Bengaluru | Delhi | Jamnagar

- 4: The Financial Results include the results for half year ended March 31, 2016 being the balancing figures between audited figures in respect of full financial year and published unaudited figures upto September 30, 2015 which were subjected to limited review by us.

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No. 101720W



Chandan Lala
Partner
Membership No. 35671



Date: May 30, 2016
Place: Mumbai

Financial results for the year ended March 31, 2016

Sl No	Particulars	Standalone Results (Rs. in Lakhs, except for per share data)			
		Half Year ended		Year Ended	
		March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
		Audited (Refer Note 1)	Un Audited (Refer Note 2)	Audited	Audited
1	Revenue from operations				
	Net sales/ Income from operations	5,500.61	5,864.30	10,622.21	11,037.38
	Total Income	5,500.61	5,864.30	10,622.21	11,037.38
2	Expenses				
	(a) Food and Beverages consumed	254.11	264.55	494.57	490.96
	(b) Purchase of traded goods	-	-	-	-
	(c) Stores and spares consumed	-	-	-	-
	(d) Employee benefits expenses	605.42	820.52	1,278.02	1,510.02
	(e) Depreciation and amortization expenses	958.24	1,178.61	1,927.14	2,386.54
	(f) Other expenses	1,102.57	1,341.95	2,214.44	2,282.71
	(f) Power and fuel expenses	217.19	236.72	473.64	493.52
	Total	3,137.53	3,842.35	6,387.81	7,163.75
3	Profit from operations before other income, finance costs and exceptional items (1-2)	2,363.08	2,021.95	4,234.40	3,873.63
4	Other income (including interest income)	782.98	103.31	1,057.15	154.93
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	3,146.06	2,125.26	5,291.55	4,028.56
6	Finance costs	2,199.96	1,306.89	3,989.22	2,687.89
7	Exceptional Items:				
	Profit on sale of fixed asset	-	-	1,634.98	-
8	Profit from ordinary activities after finance costs and exceptional items but before tax (5 - 6 ± 7)	946.10	818.37	2,937.31	1,340.67
9	Tax expenses	(368.54)	192.27	765.18	297.27
10	Net profit from ordinary activities after tax (8 - 9)	1,314.64	626.10	2,172.13	1,043.40
11	Paid-up equity share capital (Face value of the Re.1/- each)			737.00	737.00
12	Paid up debt capital (Refer note 4)			31,500.00	-
13	Reserve excluding revaluation reserves as per balance sheet			7,348.41	10,870.21
14	Networth as per balance sheet			8,085.41	12,071.97
15	Debenture redemption reserve			1,260.04	-
16	Weighted average number of equity shares for calculation of:				
	Basic earning per share (EPS)	73,700,067	73,700,067	73,700,067	73,700,067
	Diluted EPS	73,700,067	73,700,067	73,700,067	73,700,067



Financial results for the year ended March 31, 2016

Sl No	Particulars	Standalone Results (Rs. in Lakhs, except for per share data)			
		Half Year ended		Year Ended	
		March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
		Audited (Refer Note 1)	Un Audited (Refer Note 2)	Audited	Audited
17	EPS (of Re.1 each) (not annualized):				
	(a) Basic	1.78	0.85	2.95	1.42
	(b) Diluted	1.78	0.85	2.95	1.42
18	Debt equity ratio (Refer note 5)	3.90	1.75	3.90	1.75
19	Debt service coverage ratio (DSCR)(Refer note 5)	1.87	1.26	2.22	1.21
20	Interest service coverage ratio (ISCR)(Refer note 5)	1.87	2.53	2.22	2.39
21	Asset coverage ratio (Refer note 5)	1.43	1.80	1.43	1.80

Notes to audited financial results for the half year and year ended March 31, 2016

- The Financial results include the results for half year ended March 31, 2016 being the balancing figures between audited figures in respect of full financial year and published unaudited figures upto September 30, 2015 which were subjected to limited review.
- The figures for the corresponding half year ended March 31, 2015 being the balancing figures between audited figures in respect of full financial year and unaudited figures up to September 30, 2014 have not been reviewed / audited, as the debt securities of the Company have been listed with stock exchange only during the current year on June 19, 2015.
- The Financial results have been reviewed by Audit Committee and approved by the Board of Directors at their meeting concluded on May 30, 2016.
- Paid up debt capital represents outstanding non convertible debentures issued by the Company.
- The Formulae used for computation of ratio are as follows:
Debt-equity ratio represents loan funds (long term borrowings and current maturity of long term borrowings included in current liabilities) / shareholders' funds (equity share capital + reserves and surplus).
DSCR represents profit before finance costs, depreciation and tax expenses / finance costs plus principal repayment
ISCR represents profit before finance costs, depreciation and tax expenses / finance costs.
Asset coverage Ratio represents total assets minus intangible assets and current liabilities / loan funds (long term borrowings and current maturity of long term borrowings included in current liabilities)
- Comparative figures have been regrouped, reclassified and restated, wherever necessary.

For and behalf of the board of Directors of
VELANKANI INFORMATION SYSTEMS LIMITED


Kiron D Shah
Managing Director
DIN : 00056091



Place : Bengaluru
Date: May 30, 2016

Financial results for the year ended March 31, 2016

Additional disclosure under regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1 Particulars of interest and principal repayment of NCD and credit rating as at March 31, 2016:

Series of NCD	Principal Amount (Rs in Lakhs)	Principal repayment date	Last Interest Payment Due Date		Next Interest Payment Due Date	Credit Rating
			Date	Status		
Series A	18500	31-May-2020	10-Mar-2016	Paid	10-Apr-2016	India Rating AA(SO) Stable
Series B	3500	31-May-2020	10-Mar-2016	Paid	10-Apr-2016	India Rating A-(SO) Stable
Series C	5500	31-May-2020	10-Mar-2016	Paid	10-Apr-2016	India Rating AA(SO) Stable
Series D	1500	31-May-2020	10-Mar-2016	Paid	10-Apr-2016	India Rating A-(SO) Stable
Series E	1900	31-May-2019	10-Mar-2016	Paid	10-Apr-2016	India Rating AA(SO) Stable
Series F	600	31-May-2020	10-Mar-2016	Paid	10-Apr-2016	India Rating AA(SO) Stable

2 Outstanding Redeemable Preference Shares as on March 31, 2016 - NIL

For and behalf of the board of Directors of
VELANKANI INFORMATION SYSTEMS LIMITED



Kiron D Shah
Managing Director
DIN : 00056091

Place : Bengaluru
Date: May 30, 2016

