

**NOTICE OF EQUITYSHAREHOLDERS**

**VIKASECOTECH LIMITED**

Registered Office	:	34/1 Vikas Apartments east Punjabi Bagh Delhi- 110026
Tel. no.	:	011-43144444
CIN	:	L65999DL1984PLC019465
Website	:	<a href="http://www.vikasecotech.com">www.vikasecotech.com</a>
E-mail	:	<a href="mailto:cs@vikasecotech.com">cs@vikasecotech.com</a>

**NOTICE OF TRIBUNAL CONVENED MEETING OF THE EQUITY  
SHAREHOLDERS OF VIKAS ECOTECH LIMITED**

(Convened pursuant to order dated 8<sup>th</sup> January, 2018 Passed by Hon'ble National Company  
Law Tribunal, Principal Bench, New Delhi)

**MEETING**

<b>DAY</b>	SATURDAY
<b>DATE</b>	24 <sup>th</sup> February, 2018;
<b>TIME</b>	12.30P.M;
<b>VENUE</b>	Haryana Maitri Bhawan, Sainik Vihar, Pitampura, New Delhi – 110034.

**VIKAS ECOTECH LIMITED**

**CIN: L65999DL1984PLC019465**

**Regd. Office: 34/1, Vikas Apartments east Punjabi Bagh Delhi- 110026**

**Tel No: 011-43144444 email: cs@vikasecotech.com**

**Website: www.vikasecotech.com**

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**NOTICE OF THE NATIONAL COMPANY LAW TRIBUNAL CONVENED  
MEETING OF THE EQUITY SHAREHOLDERS OF THE COMPANY**

**POSTAL BALLOT AND E-VOTING**

**Start Date: At 9.00 AM on Thursday, 25<sup>th</sup> January, 2018**

**Last Date: At 5.00 P.M on Friday, 23<sup>rd</sup> February, 2018**

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<b>2.</b>	Explanatory Statement under Sections 102 read with Sections 230(3)232(1) and (2) of the Companies Act, 2013 read with Rule 6 (3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.	
<b>3.</b>	<b>Annexure 1</b> Scheme of Arrangement for Demerger of High Volume 'Recycled Compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited (Resulting Company) and their respective shareholders and creditors under sections 230-232 of Companies Act, 2013.	
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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT NEW DELHI  
COMPANY APPLICATION NO. CA(CAA) 139/(PB)/ 2017**

**IN THE MATTER OF:**

**SECTIONS 230 and 232 OF THE COMPANIES ACT, 2013**

**AND**

**IN THE MATTER OF:**

**VIKAS ECOTECH LIMITED  
HAVING ITS REGISTERED OFFICE AT  
34/1 VIKAS APARTMENTS,  
EAST PUNJABI BAGH, NEW DELHI – 110026.**

**DEMERGED COMPANY  
(APPLICANT COMPANY - 1)**

**AND**

**VIKAS MULTICORP LIMITED  
HAVING ITS REGISTERED OFFICE AT  
G-1, 34/1, EAST PUNJABI BAGH,  
NEW DELHI – 110026.**

**RESULTING COMPANY  
(APPLICANT COMPANY 2)**

**NOTICE CONVENING THE MEETING OF EQUITY SHAREHOLDERS OF  
VIKAS ECOTECH LIMITED (DEMERGED COMPANY / APPLICANT  
COMPANY-)**

**To,**

**All the equity shareholders of Vikas Ecotech Limited.**

**NOTICE** is hereby given that by an Order dated 08<sup>th</sup> January, 2018 (“**Order**”), of the National Company Law Tribunal, Principal Bench at New Delhi (“**NCLT**”) has directed a meeting of the equity shareholders of Vikas Ecotech Limited (“**Demerged Company**” / “**Applicant Company-1**”) to be held for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme of Arrangement for



Demerger of High Volume 'Recycled Compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited (Resulting Company) and their respective shareholders and creditors under sections 230-232 of Companies Act, 2013 ("Scheme"). In pursuance of the Order and as directed therein further notice is hereby given that a meeting of the equity shareholders of the Vikas Ecotech Limited (Demerged Company) will be held at the Haryana Maitri Bhawan, Sainik Vihar, Pitampura, New Delhi – 110034, India on Saturday, the 24<sup>th</sup> Day of February, 2018 at 12.30 P.M, which you are requested to attend. At the meeting, following resolutions will be considered and if thought fit, be passed, with or without modification(s) with the requisite majority:

**“RESOLVED THAT** pursuant to the provisions of Sections 230 - 232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, the Securities and Exchange Board of India Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, the “No Adverse Observation” letters issued by the BSE Limited and NSE dated 09.11.2017 & 14.11.2017 and subject to the provisions of the Memorandum of Association and Articles of Association of the Company and subject to the approval of National Company Law Tribunal Principal Bench, New Delhi (NCLT), or its appellate authority(ies)/ Court(s) and subject to such other approval(s), permission(s) and sanction(s) of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (“Board”) whose term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution, the arrangement embodied in the Scheme of Arrangement for Demerger of High Volume 'Recycled Compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited (Resulting Company) and their respective shareholders and creditors (“Scheme”), placed before this meeting and initialed by the Chairman of the meeting for the purpose of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper.”

**TAKE FURTHER NOTICE** that persons entitled to attend and vote at the said meeting, may vote in person or by proxy, provided that a proxy in the prescribed form is deposited at the registered office of the Demerged Company, at 34/1 Vikas Apartments East Punjabi Bagh

Delhi- 110026, not later than 48 (forty-eight) hours before the time fixed for the aforesaid meeting. The form of proxy can be obtained free of charge from the registered office of the Demerged Company.

**TAKE FURTHER NOTICE** that in compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (v) Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017; issued by the Securities and Exchange Board of India, the Demerged Company has provided the facility of voting by postal ballot and e-voting so as to enable the equity shareholders, which includes the Public Shareholders (as defined in the Notes below), to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by equity shareholders of the Demerged Company to the Scheme shall be carried out through (i) postal ballot or e-voting and (ii) ballot or polling paper at the venue of the meeting to be held on 24<sup>th</sup> February, 2018 at 12.30 P.M.

Copies of the Scheme and of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the Index, can be obtained free of charge at the registered office of the Demerged Company at 34/1 Vikas Apartments East Punjabi Bagh Delhi- 110026.

NCLT has appointed undersigned as Chairperson and Mr. Rohan Jaitley (Advocate) as alternate chairperson and Mr. Vivek Goel (Chartered Accountant) as a scrutinizer of the said meeting of equity shareholders of Demerged Company.

The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent approval of National Company Law Tribunal, Principal Bench, New Delhi. A copy of the Explanatory Statement, under Sections 230(3) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.

S/d-

A.K. Tewari, Advocate  
Chairman appointed by Hon'ble NCLT for the Meeting of  
Equity shareholders of the  
Vikas Ecotech Limited

Dated: 17<sup>th</sup> day of January, 2018

Place: New Delhi

## Notes:

1. Only registered equity shareholders of the Vikas Ecotech Limited (Demerged Company”), as on Friday 19<sup>th</sup> January, 2018 may attend and vote either in person or by proxy (a proxy need not be an equity shareholder of the Demerged Company) or in the case of a body corporate by a representative authorized under Section 113 of the Companies Act, 2013 at the meeting of the equity shareholders of the Demerged Company. The authorized representative of a body corporate which is a registered equity shareholder of the Demerged Company, may attend and vote at the meeting of the equity shareholders of the Demerged Company, provided a copy of the resolution of the Board of Directors or other governing body of the body corporate authorizing such representative to attend and vote at the meeting of the equity shareholders of the Demerged Company, duly certified to be a true copy by a director, the manager, the secretary or other authorized officer of such body corporate is deposited at the registered office of the Demerged Company not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting of the equity shareholders of the Demerged Company .
2. As per Section 105 of the Companies Act, 2013 and the rules made thereunder, a person can act as proxy on behalf of not more than 50 (fifty) equity shareholders holding in aggregate, not more than 10% (ten percent) of the total share capital of the Applicant Company-1/Demerged Company carrying voting rights. Equity shareholders holding more than 10% (ten percent) of the total share capital of the Applicant Company-1/Demerged Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or equity shareholder.
3. The form of proxy is being sent along with this notice and can also be obtained free of charge from the registered office of the Applicant Company-1.
4. All alterations made in the form of proxy should be initialed.
5. NCLT by its Order dated 8<sup>th</sup> January, 2018, has directed that a meeting of the equity shareholders of the Vikas Ecotech Limited (Demerged Company) shall be held at Haryana Maitri Bhawan, Sainik Vihar, Pitampura, New Delhi – 110034. on Saturday, the 24<sup>th</sup> Day of February, 2018 at 12.30 P.M. for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Equity shareholders would be entitled to vote in the said meeting either in person or through proxy.
6. A registered equity shareholder or his proxy, attending the meeting, is requested to bring the Attendance Slip duly completed and signed.
7. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the equity shareholders at the registered office of the Demerged Company between 11.00 a.m. and 5.00 p.m. on all working days up to the date of the meeting.
8. The Notice, together with the documents accompanying the same, is being sent to all the equity shareholders by courier whose names appear in the register of members as on 19<sup>th</sup> January, 2018.

9. In compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 issued by the Securities and Exchange Board of India, the Demerged Company has provided the facility of voting by e-voting so as to enable the equity shareholders, which includes the Public Shareholders (as defined below), to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by equity shareholders of the Demerged Company to the Scheme shall be carried out through (i) postal ballot or e-voting and (ii) polling paper at the venue of the meeting to be held at 12:30 P.M on 24<sup>th</sup> day of February, 2018.
10. A registered equity shareholder or his proxy, attending the meeting, is requested to bring the Attendance Slip duly completed and signed.
11. The registered equity shareholders who hold shares in dematerialized form and who are attending the meeting are requested to bring their DP ID and Client ID for easy identification.
12. The registered equity shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the Register of Members of the Demerged Company/ list of beneficial owners as received from Depositories in respect of such joint holding, will be entitled to vote.
13. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the equity shareholders at the registered office of the Demerged Company between 11.00 AM and 5.00 PM on all working days up to the date of the meeting.
14. Equity shareholders (which includes Public Shareholders) holding equity shares as on 19<sup>th</sup> January, 2018, being the cut-off date, will be entitled to exercise their right to vote on the above resolution.
15. The Notice, together with the documents accompanying the same, is being sent to all the equity shareholders either by registered post or speed post or through courier service or electronically by e-mail to those equity shareholders who have registered their e-mail ids with the Demerged Company/Registrar and Share Transfer Agents/ Depositories, whose names appear in the register of members/list of beneficial owners as received from Depositories as on 19<sup>th</sup> January, 2018. The Notice will be displayed on the website of the Demerged Company **www.vikasecotech.com** and on the website of NSDL **www.evoting.nsdl.com**.
16. A person, whose name is not recorded in the register of members or in the register of beneficial owners maintained by NSDL / CDSL as on the cut-off date i.e. 19<sup>th</sup> January, 2018 Shall not be entitled to avail the facility of e-voting or voting through postal ballot or voting at the meeting to be held on 24<sup>th</sup> February, 2018. Voting rights shall be reckoned on the paid-up value of the shares registered in the names of equity shareholders (which include Public Shareholders) as on Friday, the 19<sup>th</sup> January, 2018. Persons who are not equity

shareholders of the Demerged Company as on the cut-off date i.e. 19<sup>th</sup> January, 2018 should treat this notice for information purposes only.

17. The voting by the equity shareholders (including the Public Shareholders) through the postal ballot or e-voting shall commence at 9.00 AM on Thursday 25<sup>th</sup> January, 2018 and shall close at 5.00 P.M on Friday 23<sup>rd</sup> day of February, 2018.
18. The notice convening the meeting will be published through advertisement in (i) The Indian Express (Delhi Editions) in the English language; and (ii) translation thereof in Hindi in Jansatta (Delhi Edition).
19. SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 (“SEBI Circular”) issued by the Securities and Exchange Board of India (“SEBI”), inter alia, provides that approval of Public Shareholders of the Demerged Company to the Scheme shall be obtained by way of voting through e-voting. Since, the Demerged Company is seeking the approval of its equity shareholders (which includes Public Shareholders) to the Scheme by way of voting through postal ballot and e-voting, no separate procedure for voting through postal ballot and e-voting would be required to be carried out by the Demerged Company for seeking the approval to the Scheme by its Public Shareholders in terms of SEBI Circular. The aforesaid notice sent to the equity shareholders (which includes Public Shareholders) of the Demerged Company would be deemed to be the notice sent to the Public Shareholders of the Demerged Company. For this purpose, the term “Public” shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term “Public Shareholders” shall be construed accordingly. In terms of SEBI Circular the Demerged Company has provided the facility of voting by e-voting along with additional postal ballot facility to its equity shareholders (including Public Shareholders).
20. NCLT, by its Order, has, inter alia, held that since the Demerged Company is directed to convene a meeting of its equity shareholders, which includes Public Shareholders, and the voting in respect of the equity shareholders, which includes Public Shareholders, is through postal ballot and e-voting, the same is in sufficient compliance of SEBI Circular.
21. In accordance with the provisions of Sections 230 – 232 of the Companies Act, 2013, the Scheme shall be acted upon only if the equity shareholders of the Demerged Company, voting in person or by proxy or by postal ballot or e-voting, agree to the Scheme with requisite majority as required under section 230(6) of the Companies Act, 2013.
22. Further, in accordance with the SEBI Circular, the Scheme shall be acted upon only if the votes cast by the Public Shareholders (through postal ballot or e-voting) in favor of the aforesaid resolution for approval of Scheme are more than the number of votes cast by the Public Shareholders against it.
23. The Demerged Company has engaged the services of National Securities Depository Limited (“NSDL”) for facilitating e-voting for the said meeting to be held on 24<sup>th</sup> day of February, 2018. Equity shareholders desiring to exercise their vote by using e-voting facility are requested to follow the instructions mentioned in Notes below.
24. A postal ballot form along with self-addressed postage pre-paid envelope is also enclosed. Equity shareholders’ voting in physical form are requested to carefully read the instructions

printed in the attached postal ballot form Equity shareholders who have received the postal ballot form by e-mail and who wish to vote through postal ballot form, can download the postal ballot form from the Demerged Company's website [www.vikasecotech.com](http://www.vikasecotech.com) or seek duplicate postal ballot form from the Demerged Company.

25. Equity shareholders shall fill the requisite details and send the duly completed and signed postal ballot form in the enclosed self-addressed postage pre-paid envelope to the scrutinizer so as to reach the scrutinizer before 5.00 p.m. on or before 23<sup>rd</sup> day of February, 2018. Postal ballot form, if sent by courier or by registered post/speed post at the expense of an equity shareholder will also be accepted. Any postal ballot form received after the said date and time period shall be treated as if the reply from the equity shareholders has not been received.
26. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected by the scrutinizer.
27. The vote on postal ballot cannot be exercised through proxy.
28. There will be only 1 (one) postal ballot form for every registered folio/client ID irrespective of the number of joint equity shareholders.
29. The postal ballot form should be completed and signed by the equity shareholders (as per specimen signature registered with the Demerged Company and/or furnished by the Depositories). In case, shares are jointly held, this form should be completed and signed by the first named equity shareholder and, in his/her absence, by the next named equity shareholder. Holder(s) of Power of Attorney ("PoA") on behalf of an equity shareholder may vote on the postal ballot mentioning the registration number of the PoA with the Demerged Company or enclosing a copy of the PoA authenticated by a notary. In case of shares held by companies, societies etc., the duly completed postal ballot form should be accompanied by a certified copy of the board resolution/ authorization giving the requisite authority to the person voting on the postal ballot form.
30. Mr. Vivek Goel, Chartered Accountant is appointed as Scrutinizer vide Order dated 8<sup>th</sup> January, 2018 for conducting the voting by way of Postal Ballot/ remote e-voting process in a fair and transparent manner and to receive and scrutinize the completed Physical Postal Ballot Forms from the shareholders. The Physical Postal Ballot Form together with the self-addressed Business Reply Envelope are enclosed for use of shareholders.
31. The scrutinizer will submit his combined report to the Chairman of the meeting after completion of the scrutiny of the votes cast by the equity shareholders, which includes Public Shareholders, of the Demerged Company through e-voting process, and postal ballot. The scrutinizer will also submit a separate report with regard to the result of the postal ballot and e-voting in respect of Public shareholders. The scrutinizer's decision on the validity of the vote (including e-votes) shall be final.
32. The equity shareholders of the Demerged Company (which includes Public Shareholders) can opt only one mode for voting i.e. by postal ballot or e-voting or voting at the venue of the meeting. If an equity shareholder has opted for e-voting, then he/she should not vote by postal ballot form also and vice versa. However, in case equity shareholder(s) (which includes Public Shareholder(s)) cast their vote both via postal ballot and e-voting, then

voting validly done through e-voting shall prevail and voting done by postal ballot shall be treated as invalid.

33. The equity shareholders of the Demerged Company attending the meeting who have not cast their vote either through postal ballot or e-voting shall be entitled to exercise their vote at the venue of the meeting. Equity shareholders who have cast their votes through postal ballot or e-voting may also attend the meeting but shall not be entitled to cast their vote again.
34. The voting through postal ballot and e-voting period will commence at 9.00 a.m. (Nine hours) on Thursday, the 25<sup>th</sup> day of January, 2018 and will end at 5.00 p.m. (Seventeen hours) on Friday, the 23<sup>rd</sup> day of February, 2018. During this period, the equity shareholders (which includes Public Shareholders) of the Demerged Company holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. 19<sup>th</sup> day of January, 2018 may cast their vote electronically or by postal ballot. The e-voting module shall be disabled by NSDL for voting on Friday, the 23<sup>rd</sup> day of February, 2018 at 5.00 p.m. (17:00 hours). Once the vote on the resolution is cast by an equity shareholder, he or she will not be allowed to change it subsequently.
35. Any queries/grievances in relation to the voting by postal ballot or e-voting may be addressed to Mr. Siddharth Agrawal, Company Secretary of the Demerged Company at 011-43144444, or through email to Company Secretary can also be contacted at [cs@vikasecotech.com](mailto:cs@vikasecotech.com); in case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
36. **Voting through Electronic means:**
  - I. The instructions for the members for voting electronically are as under:-
    - (A) **In case of members receiving e-mail (For those members whose e-mail addresses are registered with the Company)**
      - i) Open email and open attached PDF file “e-Voting.pdf” giving your Client ID (in case you are holding shares in demat mode) or Folio No. (In case you are holding shares in physical mode) as password, which contains your “USER ID” and “Password for e-voting”. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.
      - ii) If you are holding shares in Demat form and had logged on to [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and voted on an earlier voting of any company, then your existing password is to be used. If you forget your password, you can reset your password by using “Forgot User Details / Password ?” or “Physical User Reset Password ?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at toll free No. 1800-222-990
      - iii) Launch internet browser by typing the following URL :<https://www.evoting.nsdl.com/>
      - iv) Click on “Shareholders – Login
      - v) Put User ID and Password as initial password noted in step (i) above. Click Login.
      - vi) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note New Password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- vii) Home page of remote e-voting opens. Click on remote e-voting Active Voting Cycles.
- viii) Select “EVEN” (e-voting event number) of “**Vikas Ecotech Limited**”.
- ix) Now, you are ready for remote e-voting as Cast Vote page opens.
- x) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “CONFIRM”, else to change your vote, click on “BACK” and accordingly modify your vote.
- xi) Upon confirmation, the message “Vote cast successfully” will be displayed.
- xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiii) You can also take out print of the voting done by you by clicking on “click here to print” option on the voting page.
- xiv) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to send a scanned copy (PDF /JPG Format) of the Board Resolution /Authority Letter / Power of Attorney (POA) etc. together with attested specimen signature of the authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to **goyalvivek\_ca@yahoo.com** or **cs@vikasecotech.com** with a copy marked to **evoting@nsdl.co.in**

**(B) In case of members receiving the physical copy of Notice of Equity Shareholders Meeting (for members whose e-mail IDs are not registered with the Company / depository participant(s) or requesting physical copy).**

- a) Initial Password is provided in the box
- b) Please follow all steps from sl. no. (ii) to sl. no. (xiv) above to cast vote.

34. The Scrutinizer will submit his report to the Chairman appointed by the Hon’ble NCLT after completion of the scrutiny of the postal ballots and e-votes submitted. The Scrutinizer’s decision on the validity of the vote (including e-votes) shall be final. The results of the postal ballot and e-voting will be announced by the company after submission of scrutinizer report by the scrutinizer to the Company.

35. The results, together with the Scrutinizer’s report, will be displayed at the registered office and on the website of the Demerged Company i.e., **www.vikasecotech.com** and also on the website of NSDL i.e., **www.evoting.nsdl.com**, besides being communicated to BSE Limited and NSE on which the shares of the Demerged Company are listed. Subsequently, the results will be published in Indian Express (English), having Delhi Edition and Jansatta (Hindi) Delhi Edition, having wide circulation in the district where the Registered Office of Demerged Company is situated.

36. Any query in relation to the resolution proposed by postal ballot and e-voting may be addressed to Mr. Siddharth Agrawal, Company Secretary of the Demerged Company at 011-43144444 or through email to **cs@vikasecotech.com** can also be contacted at **investors@vikasecotech.com**.

Sd/-

A.K. Tewari,



Dated: 17<sup>th</sup> day of January, 2018

Place : New Delhi

Chairman for the Tribunal  
Convened Meeting of Equity Shareholders  
of Vikas Ecotech Limited

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT NEW DELHI  
COMPANY APPLICATION NO. CA(CAA) 139/(PB)/ 2017**

**IN THE MATTER OF:**

**SECTIONS 230 and 232 OF THE COMPANIES ACT, 2013**

**AND**

**IN THE MATTER OF:**

**VIKAS ECOTECH LIMITED  
HAVING ITS REGISTERED OFFICE AT  
34/1 VIKAS APARTMENTS,  
EAST PUNJABI BAGH, NEW DELHI – 110026.**

**DEMERGED COMPANY  
(APPLICANT COMPANY - 1)**

**AND**

**VIKAS MULTICORP LIMITED  
HAVING ITS REGISTERED OFFICE AT  
G-1, 34/1, EAST PUNJABI BAGH,  
NEW DELHI – 110026.**

**RESULTING COMPANY  
(APPLICANT COMPANY 2)**

**EXPLANATORY STATEMENT UNDER SECTION 102 READ WITH SECTIONS  
230(3), 231(1) AND (2) OF THE COMPANIES ACT, 2013 READ WITH RULE 60F  
THE COMPANIES (COMPROMISES, ARRANGEMENTS AND  
AMALGAMATIONS) RULES, 2016**

1. Pursuant to the Order passed by the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi, (the "NCLT") in the Company Application CA (CAA) - 139(PB) / 2017 dated 08<sup>th</sup> January, 2018 ("**Order**") a meeting of the Equity Shareholders of Vikas Ecotech Limited (hereinafter referred to as the "Applicant Company-1/Demerged Company" as the context may admit), is being convened and held at Haryana Maitri Bhawan, Sainik Vihar, Pitampura, New Delhi – 110034 on Saturday, the 24<sup>th</sup> February, 2018 at 12.30 P.M for the purpose of considering and, if thought fit, approving with or without modification(s), the proposed Scheme of

Arrangement among Vikas Ecotech Limited(Applicant Company-1/Demerged Company) and Vikas Multicorp Limited (Applicant Company-2) and their respective shareholders and creditors (“Scheme”),under Sections 230 to 232 of the Companies Act, 2013 (the “Act”) (including any statutory modification or re-enactment or amendment thereof) read with the rules issued there under.

In terms of the said Order, NCLT has appointed undersigned as the Chairman, as Chairperson and Mr. Rohan Jaitley (Advocate) as alternate chairperson and Mr. Vivek Goel (Chartered Accountant) as a scrutinizer of the said meeting of equity shareholders of Applicant Company-1/Demerged Company.

2. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the “Rules”).
3. As stated earlier NCLT by its said Order has, inter alia, directed that a meeting of the equity shareholders of the Applicant Company-1/ Demerged Company shall be convened and held at Haryana Maitri Bhawan, Sainik Vihar, Pitampura, New Delhi – 110034 on Saturday , the 24<sup>th</sup> February, 2018 at 12.30 P.M for the purpose of considering and, if thought fit, approving with or without modification(s), the proposed Scheme of Arrangement between Applicant Companies” and their respective shareholders and Creditors (“Scheme”) under Sections 230 to 232 of the Companies Act, 2013 (the “Act”). Equity shareholders would be entitled to vote in the said meeting either in person or through proxy.
4. A copy of the Scheme setting out in detail the terms and conditions of the arrangement, inter alia, providing for the proposed Scheme of Arrangement between “Applicant Companies” and their respective shareholders, which has been approved by the Board of Directors of the Applicant Company -1at its meeting held on 29<sup>th</sup>May, 2017of respective company is attached to this explanatory statement and forms part of this statement.

## **OVERVIEW**

5. The Scheme envisages the Arrangement between the Applicant Companies under Sections 230-232 of the Companies Act-2013, with effect from 01.04.2017.

## **6. BACKGROUND**

### **6.1. Details of Vikas Ecotech Limited (Applicant Company-1/Demerged Company):**

- a) Applicant Company-1/Demerged Company is a Public Limited Company, originally incorporated as Vikas Leasing Limited on 30<sup>th</sup>November, 1984 in accordance with the provisions of the Companies Act, 1956. Subsequently, the name of the company

changed to Vikas Profin Limited and Registrar of Companies National Capital Territory of Delhi and Haryana has issued fresh certificate of incorporation on 7<sup>th</sup> January 2002. Thereafter again, the name of the Company changed to Vikas Globalone Limited and Registrar of Companies National Capital Territory of Delhi and Haryana have issued a fresh certificate of incorporation on 31<sup>st</sup> December, 2008. The Company again change its name to existing name i.e. Vikas Ecotech Limited and a fresh certificate of incorporation has been issued by Registrar of Companies National Capital Territory of Delhi and Haryana on 21<sup>st</sup> October, 2015. The registered office of the Demerged Company is situated at 34/1 Vikas Apartments, East Punjabi Bagh, Delhi 110026, Delhi, India.

- b) The Company is a widely held listed company having its equity shares listed at 'BSE Limited' (BSE) and National Stock Exchange of India Limited (NSE).
- c) Corporate Identification Number (CIN): L65999DL1984PLC019465
- d) Permanent Account Number (PAN): AAACV0608G
- e) Registered office of the Applicant Company-1 is situated at 34/1 Vikas Apartments East Punjabi Bagh Delhi 110026.
- f) Email address: cs@vikasecotech.com

**g) The main objects of the Applicant Company-1/Demerged Company are:**

- To carry on the business of buyers, sellers, manufacturers, importers, exporters, traders, stockist, dealers, distributors agents, broker, commission agents, forwarding and clearing agents, sales organizer of all kinds of foods, food grains, cereals and Rice, wheat, Dal, Besan, Maida, Atta, Suji & all kinds of foods products, petrol, kerosene oil and all kinds of plastic & chemicals raw material and products like polymers, petrochemicals, organic compound, inorganic compound, solvents, petroleum products, perfumes, medicines, drugs, pharmaceuticals, nutra-ceuticals, dietary supplements biological foods, natural vitamins, insecticides, fumigates, vitamin products, hospital equipment like surgical equipment and x-ray machines, engineering goods, machine tools, hand tools, small tools, metals alloys, iron pipe, fitting nuts and bolts, bicycles and accessories, automobile parts, steel and stainless and iron products, ores and scraps, metallurgical residues, hides, skins, leather goods, furs, bristles, tobacco, hemp, seeds, oil and cakes, vanaspati, textile, fiber and wastes/coir and jute and products thereof wood and timber, bones, crushed and uncrushed, industrial diamonds, coal and charcoal, glue, gums and resins, ivory, lac, shellac, chemical preparations, plastic and linoleum articles, glass ware, brassware, antiques, handicrafts, handloom, decorative toy, liquid gold, precious and semi precious, stones, ornaments, jewelleries, pearls, boutiques, soaps, paints, instruments, apparatus and application, machinery and mill work and parts thereof, paper and stationery, sport goods, textiles including decorative hand and machine made readymade garments, carpets, rugs, druggets, artificial silk fabrics, woolen, cloth and all sorts of apparels, dressing materials cosmetics, wigs, belts, cinematograph films exposed gramophone records, rubber, plastic goods, starch, umbrellas, crown crocks, batteries, surgical and musical instruments, marble and hardware items, traditional calendars, all kinds of books and manuscripts, electric and electronic products of all kinds, sanitaryware, and fittings wooden table, natural fibre products, cellulose and cellulose products, mixed blended products, nylon,

polyester, fibre, yarn hosiery and mixed fabrics, natural silk fabrics and garments, fish and fish products, folder bran, fruits nut, cash amount, kernels, grains, pulses, flour, confectionery, provisions, alcohol, beverages, perfumes, spirits, spices and tea, coffee, sugar and molasses, vegetable and vegetable products, processed food and packed food, computer hardware & software & all allied item in India & abroad.

- To carry on the business of buyers, sellers, importers, exporters, traders, stockists, dealers, agents, brokers, commission agents of all kinds of goods and merchandise.
- To invest the capital of the Company in and deal with shares, stocks, bonds, debentures, obligations or other securities of any company, associations, trust, issue on commission, sell, mortgage of dispose off any of the securities, hereinbefore mentioned or to act as agent for any of the above purposes.
- To carry on business as auctioneers, house agents, land and estate agents, appraisers, valuers, brokers, commission agents, surveyors and general agents and to purchase otherwise acquire and to sell, let or otherwise dispose of and deal in, real and property of every description.
- To carry on in India or in any part of the world, the business of proprietors, owners or agents of theatres, cinema houses, music or concert halls. To construct cinema houses, to own and or hire them out.
- To carry on business in Information Technology related business i.e. Consultancy/development in Computer Software & Hardware, E-commerce, Internet services providers etc. also to subscribe, acquire and hold shares& stocks of any other company dealing in same business or to form a 100% subsidiary of the company for the same business. To deal in the business of sale, purchase, import, export, stockiest, distributors, designers, agent, traders, exchangers and jobbers in all kinds/types of computers, computer software development, conversion, data entry, software implementation, system study, software documentation and related components, computer systems, computer peripherals, integrated circuits, process controllers computer printers transformers monitors uninterrupted power supply system, computer components, computer based systems, computer aided design, computer aided manufacture telecommunication, telecommunication related hardware and software networking of local area and wide area, data communication for hardware and software, computerized medical system, bio electrical equipment's. To deal in other office automation machines, printers, computer stationery, computer furniture, ribbons, diskettes, magnetic tapes and other related items in India and abroad. To provide long term and short-term maintenance of computers associated equipment, replacement and servicing of computers, computer peripherals related electrical equipment and items in India and/or abroad. To run business as computer franchise bureaus, hiring of computer time and services, data processing, system analysis, design programming, data storage and computer output micro film in India and/or abroad, provide consultancy services in India and/or abroad on selection of computer systems, software, media, peripherals and allied items, computer personal and on computerization in general. To hold seminars, courses, training institution and business conferences for training in computer, and office automation, computer programming, system analysis, operational research, computer operation, data entry operations, operation and other computer related activities in India and abroad. To provide software and hardware

personnel to work at customer sites in India and abroad. To provide consultancy services in India and abroad on preparation of project reports computer systems and software, media, peripherals and allied items.

h) The Capital Structure of the Demerged Company as on 31<sup>st</sup> March, 2017 are as follows:

<b>Particulars</b>	<b>Amount (Rs.)</b>
<b>Authorized Capital:</b> 32,00,00,000 Equity Shares of Rs.1/- each	32,00,00,000
<b>Total</b>	
<b>Issued, Subscribed and Paid up Capital:</b> 27,98,99,675 Equity Shares of Re.1/- each	27,98,99,675
<b>Total</b>	<b>27,98,99,675</b>

#### 6.2. Details of the Applicant Company-2/Resulting Company:

- a) Applicant Company-2/Resulting Company is an unlisted Public limited company incorporated on 9<sup>th</sup> November, 1995; under the provisions of the Companies Act, 1956.
- b) Corporate Identification Number (CIN): U25111DL1995PLC073719
- c) Permanent Account Number (PAN): AADCA5571A
- d) Registered office of the Applicant Company-2 is situated at G-1 34/1, East Punjabi Bagh, Delhi 110026.

#### e) The main objects of the Vikas Multicorp Limited (Applicant Company-2/Resulting Company) are:

- To provide consultancy to the industries in India and abroad for project management planning finance and accounting, marketing and market research and hiring and training people, engineering and software.
- To provide services Advisor or in any other capacity of issued of securities of public or on private placement basis and to render all types of consultancy, advice, liaison for issue and related activities.
- To provide services as advisor and to carry on the business as buyers, sellers, importers exporters, stockists dealers, distributors, agents, brokers, commission agents, forwarding and clearing agents, sales organiser or market promoters of all kinds of foods, food items, food grains, cereals and rice, wheat, dal, besan, maida, atta, sujl & all kinds of food products petrol, kerosene oil & all kinds of petroleum, plastics petrochemicals products, perfumes, medicines, drugs, pharmaceuticals, nutra-ceuticals, dietary supplements biological foods, natural vitamins insecticides, fumigates, vitamin

products, hospital equipment like surgical equipment and x-ray machines, engineering goods, machine tools, small tools, metals, alloys, iron pipe, fittings, nuts and bolts, bicycles and accessories automobiles parts and steel, stainless steel and iron products ores and scraps metallurgical residue, hide, skins, leather goods furs, bristles, tobacco hems, seeds seeds-oils and cakes, vanaspati, textiles fibre and worsted/coir and jute and products thereof wood and timber, bones crushed and uncrushed industrial diamonds, coal and charcoal, glue. Gums and resins, ivory, lac, shellac, manures pulp, rugs rubber tanning substances wax quartz crystal chemicals and chemical preparations, plastic and linoleum articles, glass and glassware handicrafts, handloom toys, liquid gold, precious and semi-precious stones, ornaments, jewelleryes, pearls, boutiques, soaps, paints, instruments apparatus and appliances, machinery and millwork and parts thereof paper and stationery, sports goods, textile including decorative, hand and machine made readymade garments carpets, rugs druggets artificial silk fabrics cotton and woollen cloth and all sort of apparels dressing materials, cosmetics, wigs, beltings, cinematograph films exposed, gramophone records rubber, plastic goods, starch, umbrellas, crown corks, batteries surgical and musical instruments. marble and hardware items, traditional calendars, all kinds of books and manuscripts, electric and electronic products of all kinds sanitary wares and fittings wooden tables natural fiber products, cellulose, and cellulosic Products mixed blended products, nylon, polyester, fiber yarn hosiery and mixed fabrics, natural silk fabrics and garments, fish and fish products, folder bran, fruits, nuts, cashew nuts kernels grains, pulses, flour, confectionery, provisions alcohol, beverages, perfumed spirits spices, tea coffee sugar and molasses, vegetables and its products, processed foods and packed foods, Computer Hardware & Software & all allied item in India & abroad.

- To subscribe or acquire or hold and or dispose sell shares share-stock, debentures, debentures stock, bonds mortgage, obligations, securities of any kind issued or guaranteed by any company {body corporate or undertaking) of what so ever nature and howsoever constituted or carrying on the business and to subscribe for, acquire, hold dispose off, sell shares debenture and debenture stocks and debenture-bonds mortgages obligations and other securities issued or guaranteed by any government sovereign ruler commissioners, trust municipal local or other authority or body of whatsoever nature whether in India or elsewhere as may be conducive to the business of the company.
- To manufacture all kinds of plastic & chemicals raw material and products like polymers, petrochemicals, organic compound, inorganic compound, solvents, petroleum products, pipes, machine tools, hand tools, small tools, metals alloys, iron pipe, fitting nuts and bolts, bicycles and accessories, automobile parts, steel and stainless and iron products, ores and scraps, metallurgical residues & all allied item in India & abroad.

f) The Authorized, Issued, Subscribed and Paid-up Capital of the Resulting Company as on the Appointed Date i.e. 20<sup>th</sup> May, 2017 is as follows:

<b>Particulars</b>	<b>Amount (Rs.)</b>
<b>Authorized Capital:</b> 43,00,00,000 Equity Shares of Re..1/- each	43,00,00,000
<b>Issued, Subscribed and Paid up Capital:</b> 42,47,61,960 Equity Shares of Re.1/- each	42,47,61,960
<b>Total</b>	<b>42,47,61,960</b>

## 7. Rationale for the Scheme of Arrangement

- Vikas Ecotech Limited ('VEL' or 'Demerged Company') has two core business verticals viz. High Value Specialty chemicals business (Remaining Business) and another is the High volume 'Recycled Compounds and Trading Division' (Demerged Undertaking). Both the verticals have their own strengths and dynamics but the nature of businesses of the two verticals are unconnected and distinct. It is being felt that each of the business vertical has the potential of being developed into a parallel, scaleable and independently profitable business but, requires focused management and long-term business plan. Thus, the management was contemplating the segregation of the two verticals.
- Vikas Multicorp Limited ('VML' or 'Resulting Company') is a group company and a part of the promoter group of Vikas Ecotech Limited (VEL or Demerged Company). The business of Resulting Company is similar to the business of the Demerged Undertaking. Hence in order to unlock the true value of each of the business verticals and achieve prosperity in segment the management of the both the companies have decided to Demerge the 'Recycled and Trading Compounds Division' from VEL and amalgamate with VML. This would enable the VML and VEL both to gain economies of scale and unify all shareholder interests and eliminate any conflict of interests. Both the businesses would have separate and different sets of management, staff and facilities – each of which would be designed in alignment with its own business needs.
- The dynamic and diversified nature of the industry in which the Company operates and external factors including performance of financial markets, exchange or interest rate fluctuations, business environment and government policies etc. have varied effects on the growth prospects of different verticals of the Company. Thus, the Demerged Company would be able to revise its business plans and priorities from time to time thereby, ensuring speedy and profitable growth of the Company and enhance shareholder's wealth.
- Further, economic environments, capital market dynamics, the investors' community for the two divisions i.e. the high value 'Specialty chemicals' and high volume 'Recycled Compounds and Trading Division' are different. Thus, to ensure better focus of management for the growth of both the divisions, to create independent legal entities for each division, to enable each of the businesses to achieve One thousand crores topline in their own sphere of operations the Board of Directors of both Companies are of the opinion that Scheme of Arrangement/ Demerger of 'Recycled Compounds and Trading Division' from Demerged Company and consequently



amalgamating the same with Vikas Multicorp Limited (Resulting Company) would be beneficial to the shareholders, creditors, employees and all the stakeholders at large.

- The proposed reconstruction will add better value to the businesses and create fresh opportunities as under:
  - Resulting Company will be able to focus on high volume 'Recycled Compounds and Trading Division' (Demerged Undertaking);
  - Demerged company will be able to focus on high value Specialty chemicals (Remaining Business) and other residuary business;

Further, the listing of the equity shares of Resulting Company on the stock exchanges on which shares of the Demerged Company are listed would help the shareholders of Demerged Company to unlock the value of their shares.

- A. The Scheme of Arrangement has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the said provisions at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modification will however not affect other parts of the Scheme.

## **8. The salient features and effects of the Scheme are:**

For the sake of convenience, the Scheme of Arrangement is divided into following parts:

### **PART A:**

This Part of the Scheme deals with General Provisions used in this Scheme including Definitions and Capital Structure of the Companies along with Objects and Rationale of the Scheme.

### **PART B:**

This part of the Scheme deals with demerger of the High Volume 'Recycled Compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited (Resulting Company).

### **PART C:**

This part of the Scheme deals with issue of shares by the Resulting Company to the shareholders of the Demerged Company and listing of the equity shares of Resulting Company. This part of the Scheme also deals with Accounting Treatment for the demerger in the books of Demerged Company and Resulting Company.

### **PART D:**

This part of the Scheme deals with the application to Stock Exchange/ SEBI and other provisions.

**PART E:**

This part of the Scheme deals with General Terms and Conditions as applicable to this Scheme of Arrangement.

**PART B**

**TRANSFER AND VESTING OF HIGH VOLUME “RECYCLED COMPOUNDS AND TRADING DIVISION” (DEMERGED UNDERTAKING)**

**1. TRANSFER OF DEMERGED UNDERTAKINGS**

Upon this Scheme becoming effective and with effect from the Appointed Date and pursuant to Section 230 and Section 232 of the Companies Act, 2013 and other applicable provisions of law for the time being in force, and pursuant to the orders of the NCLT or other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instrument, deed, matter or thing, the Demerged Undertaking shall stand vested in the Resulting Company, as a going concern, together with all its properties, assets, rights, benefits and interest therein.

**2. TRANSFER OF ASSETS**

- (i) Upon this Scheme becoming effective and with effect from the Appointed Date, all assets relating to the Demerged Undertaking as are movable or immovable in nature or are otherwise capable of transfer by manual delivery or by endorsement and acknowledgement of possession pursuant to this Scheme, shall stand transferred and vested as such by the Demerged Company and shall become the property and an integral part of the Resulting Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- (ii) Upon this Scheme becoming effective and with effect from the Appointed Date, any and all movable properties of the Demerged Company relating to the Demerged Undertaking, other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans and advances and other current assets, if any, recoverable in cash or in kind or for value to be received, cash & bank balances and deposits, shall without any further act, instrument or deed, become the property of the Resulting Company.
- (iii) Upon this Scheme becoming effective and with effect from the Appointed Date, all assets, estate, rights, title, interest and authorities acquired by the Demerged Company after the Appointed Date and prior to the Effective Date pertaining to the Demerged Undertaking shall also stand transferred to and vested in the Resulting Company upon coming into effect of the Scheme.

**3. TRANSFER OF LIABILITIES AND RELATED SECURITIES/ CHARGES**

- (i) Upon this Scheme becoming effective and with effect from the Appointed Date, all debts, liabilities and obligations, whether recorded or not, of the Demerged Company relating to the Demerged Undertaking, as on the close of business on the day immediately preceding the Appointed Date (hereinafter referred to as the Transferred Liabilities) shall become the debts, liabilities, duties and obligations of the Resulting Company, upon the Scheme becoming effective, who shall undertake to meet, discharge and satisfy the same to the exclusion of the Demerged Company. All the debts, liabilities, duties and obligations, secured or unsecured, whether recorded or not, relating to the remaining business shall continue to remain in the Demerged Company. Upon this Scheme becoming effective and with effect from the Appointed Date, where any of the liabilities and obligations of the Demerged Undertaking as on the Appointed Date deemed to be transferred to the Resulting Company have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been taken for and on account of the Resulting Company and all loans raised and used and all liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date shall also without any further act or deed be and stand transferred to the Resulting Company and shall become liabilities of the Resulting Company which shall meet, discharge and satisfy the same. Such liabilities shall also form part of the Transferred Liabilities as defined hereinabove.
- (ii) Upon this Scheme becoming effective and with effect from the Appointed Date, in so far as the existing security in respect of the Transferred Liabilities of the Demerged Undertaking is concerned, such security shall continue to extend to and operate over the assets comprised in the Demerged Undertaking, as the case may be, which have been charged in respect of the Transferred Liabilities as transferred to the Resulting Company pursuant to this Scheme. Provided, however, that if any of the assets comprised in the Demerged Undertaking which have not been charged or secured in respect of the Transferred Liabilities, such assets shall be transferred to the Resulting Company as unencumbered assets and in the absence of any formal amendment, which may be required by a lender or third party, shall not affect the operation of the above and this Scheme shall not operate so as to require any charge or security to be created on such assets in relation to the Transferred Liabilities as defined hereinabove.
- (iii) Further, in so far as the assets comprised in the Demerged Undertaking is concerned, the security and charge over such assets relating to any loans or borrowings which are not transferred pursuant to this Scheme (and which shall continue with the Remaining Businesses), shall without any further act or deed be realized from such encumbrance and shall no longer be available as security in relation to such liabilities.
- (iv) Without prejudice to the provisions of the foregoing clauses and upon the Scheme becoming effective, the Demerged Company and the Resulting Company, if required, may execute any instruments or documents or do all acts and deeds as may be required, including the filing of necessary particulars and/or

modification(s) of charge, with the ROC to give formal effect to the above provisions.

- (v) Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Resulting Company alone shall be liable to perform all obligations in respect of the Transferred Liabilities and the Demerged Company shall not have any obligations in respect of the Transferred Liabilities, and the Resulting Company shall indemnify the Demerged Company in this behalf.
- (vi) It is expressly provided that, save as mentioned in this Clause, no other term or condition of the Transferred Liabilities is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- (vii) Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Scheme, if approved by Hon'ble NCLT, shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

#### **4. TRANSFER OF CONTRACTS, AGREEMENTS, MOU, PERMITS, QUOTAS AND LICENCE OF DEMERGED UNDERTAKING.**

- (i) Upon the coming into effect of this Scheme and with effect from the Appointed Date, any and all contracts, agreements, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, tenancy or leasehold or hire purchase agreements and other instruments of whatsoever nature in relation to the Demerged Undertaking, to which the Demerged Company are a party or to the benefits of which, the Demerged Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date shall be in full force and effect, on or against or in favor of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or oblige thereto;
- (ii) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all permits, quotas, rights, entitlements, licenses including those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature, leave and license agreements, trade mark licenses including application for registration of trade mark , storage & warehousing agreements, commission agreements, Lease agreements, Hire Purchase Agreements, franchisee agreements in relation to the Demerged Undertaking to which the Demerged Company are a party or to the benefit of which the Demerged Company may be eligible and which are subsisting or having effect immediately before the Effective Date shall be and remain in full force and effect in favour of or against Resulting Company as the case may be, and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or oblige thereto;
- (iii) Upon the coming into effect of this Scheme and with effect from the Appointed Date, any and all statutory licenses, no-objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses including application for

registration of trade mark, licenses including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto, in relation to the Demerged Undertaking shall stand transferred to or vested in the Resulting Company, without any further act or deed done by the Demerged Company and the Resulting Company and shall be appropriately mutated by the statutory authorities concerned therewith in favor of the Resulting Company upon the vesting and transfer of the Demerged Undertaking pursuant to this Scheme.

- (iv) Upon the coming into effect of this Scheme and with effect from the Appointed Date, any such statutory and regulatory no-objection certificates, licenses, permissions, consents, approvals, authorizations or registrations, trade mark licenses including application for registration of trade mark as are jointly held for Demerged Undertaking and the remaining businesses, including the statutory licenses, permissions or approvals, registrations under Sales Tax/VAT, Service Tax, Shops and Establishments Act or consents required to carry on the operations in the remaining businesses, shall be deemed to constitute separate licenses, permissions, no-objection certificates, consents, approvals, authorities, registrations or statutory rights and the relevant or concerned statutory authorities and licensors shall endorse and/or mutate or record the separation, pursuant to the filing of this Scheme as sanctioned by the Hon'ble NCLT, with such authorities and licensors after the same becomes effective, so as to facilitate the continuation of operations in the Resulting Company without hindrance from the Appointed Date.

The benefit of all statutory and regulatory permissions, licenses and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Demerged Undertaking shall vest in and become available to the Resulting Company pursuant to the Scheme.

- (v) All contractors hitherto engaged by the Demerged Company in relation to the Demerged Undertaking shall be deemed to be engaged by the Resulting Company for the same purpose on the same terms and conditions.

## **5. EMPLOYEE MATTERS**

- (i) Upon the coming into effect of this Scheme and with effect from the Appointed Date, the services of all Employees of the Demerged Company employed in the Demerged Undertaking shall stand transferred to the Resulting Company on the same terms and conditions at which these Employees are engaged by the Demerged Company without any interruption of service as a result of the transfer. The Resulting Company also undertakes to accept and abide by any change in terms and conditions that may be agreed/ affected by the Demerged Company with all such Employees between the Appointed Date and Effective Date.
- (ii) The Resulting Company undertakes to continue to abide by any agreements/ settlements entered into by the Demerged Company in respect of Demerged Undertaking with any union/ representatives of the Employees of the Demerged Company. The Resulting Company agrees that the Resulting Company shall take the services of all such employees with the Demerged Company up to the Effective Date into account for the purpose of all retirement benefits payable to such employees subsequently. The Resulting Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity and other

terminal benefits, such past services with the Demerged Company shall also be taken into account and agrees and undertakes to pay the same as and when payable.

- (iii) In so far as the existing provident fund, gratuity fund and pension and/or superannuation fund, employees state insurance schemes, trusts, retirement fund or benefits and any other funds or benefits created by the Demerged Company for the Employees related to the Demerged Undertaking (collectively referred to as the “Funds”), the Funds and such of the investments made by the Funds which are preferable to the Employees related to the Demerged Undertaking being transferred to the Resulting Company in terms of Sub Clause (i) of Clause 5 above shall be transferred to the Resulting Company and shall be held for their benefit pursuant to this Scheme. The Resulting Company in its sole discretion, will establish necessary Funds to give effect to the above transfer or deposit the same in the schemes governed under the applicable laws and rules made there under, as amended from time to time, namely Employees’ Provident Fund and Miscellaneous Provisions Act, 1952 and/or Employees State Insurance Act, 1948 and/or Payment of Gratuity Act, 1972. In the event that the Resulting Company does not have its own funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, continue to contribute to the relevant Funds of the Demerged Company, until such time that the Resulting Company creates its own fund, at which time the Funds and the investments and contributions pertaining to the Employees related to Demerged Undertaking shall be transferred to the funds created by the Resulting Company.

## **6. LEGAL PROCEEDING**

If any suit, appeal or other proceedings relating to Demerged Undertaking of whatsoever nature by or against the Demerged Company is pending the same shall not be transferred to Resulting Company and the proceedings may be continued, prosecuted and enforced, by or against the Demerged Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Demerged Company, as if this Scheme had not been made.

## **7. INCOME TAX AND OTHER PROVISIONS**

- (i) Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and Annexures under the Income Tax Act, 1961, central sales tax, applicable state value added tax, service tax law, excise duty laws and other tax laws, and to claim refunds and/or credit for taxes paid (including minimum alternate tax, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- (ii) Any refunds or credits, under the Income Tax Act, 1961, Service tax laws, excise duty laws, central sales tax, applicable state value added tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies due to Demerged Company relating to Demerged Undertaking consequent to the assessment made on Demerged Company (including any refund for which no credit is taken in the accounts of the Demerged Company) as on the date immediately preceding the

Appointed Date shall also belong to and be received by the Resulting Company upon this Scheme becoming effective.

- (iii) The tax payments (including but not limited to income tax, service tax, excise duty, central sales tax, applicable state value added tax, etc.) whether by way of tax deducted at source, advance tax or otherwise howsoever, by the Demerged Company relating to Demerged Undertaking after the Appointed Date, shall be deemed to be paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.
- (iv) Further, any tax deducted at source by Demerged Company with respect to Demerged Undertaking on transactions with the Resulting Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.
- (v) Upon the Scheme coming into effect, any obligation of tax at source on any payment made by or to be made by the Demerged Company relating to Demerged Undertaking shall be made or deemed to have been made and duly complied with by the Resulting Company.

## **8. OTHER PROVISIONS**

- (i) The Demerged Company and the Resulting Company may, after the Scheme becomes effective, for the sake of good order, execute amended and re-stated arrangements or confirmations or other writings, for the ease of the Demerged Company, the Resulting Company and the counter party concerned in relation to the Remaining Business and the Demerged Undertaking, without any obligation to do so and without modification of any commercial terms or provisions in relation thereto.
- (ii) Upon the Scheme becoming effective, the Resulting Company shall secure the change in record of rights and any other records relevant for mutating the legal ownership of any immovable property vested with the Resulting Company and relating to the Demerged Undertaking. The Demerged Company and the Resulting Company are jointly and severally authorized to file such declarations and other writings to give effect to this Scheme and to remove any difficulties in implementing the terms hereof.

## **9. CONDUCT OF BUSINESS**

- (i) With effect from the Appointed Date and up to and including the Effective Date:
  - (i) The Demerged Company shall be deemed to have been carrying on all business and activities relating to the Demerged Undertaking for and on behalf of and in trust for the Resulting Company: and
  - (ii) All income, expenditures including management costs, profits accruing to the Demerged Company and all taxes thereof or losses arising or incurred by it relating to the Demerged Undertaking shall, for all purposes, be treated as the income, expenditures, profits, taxes or losses, as the case may be, of the Resulting Company.
- (ii) With effect from the Effective Date, the Resulting Company shall be duly authorized to carry on the business of the Demerged Undertaking, previously carried on by the Demerged Company.
- (iii) The Resulting Company unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all the liabilities and obligations of the Demerged

Undertaking with effect from the Appointed Date, in order to give effect to the foregoing provisions.

- (iv) The Demerged Company and the Resulting Company are expressly permitted to revise their Income Tax, Wealth Tax, Sales Tax, VAT and all other statutory returns, including without limitation TDS certificates and the right to claim refund, advance tax credits etc., upon the Scheme becoming effective. It is specifically declared that the taxes paid by the Demerged Company relating to the period on or after the Appointed Date whether by way of deduction at source or advance tax, which pertains to the Demerged Undertaking, shall be deemed to be the taxes paid by the Resulting Company and the Resulting Company shall be entitled to claim credit for such taxes deducted/paid against its tax liabilities notwithstanding that the certificates/challans or other documents for payment of such taxes are in the name of the Demerged Company.

## PART –C

### ISSUE OF SHARES FOR DEMERGER AND ACCOUNTING TREATMENT

#### 1. ISSUE OF SHARES

- 1.1 Upon this Scheme becoming effective and upon vesting of the Demerged Undertaking of the Demerged Company into the Resulting Company in terms of this Scheme, the Resulting Company shall, without any further application or deed, issue and allot Equity shares (“New Shares”), credited as fully paid-up, to the extent indicated below, to the members of the Demerged Company, holding fully paid up equity shares in the Demerged Company and whose names appear in the Register of Members of the Demerged Company on the Record Date or to such of their respective heirs, executors, administrators or other legal representative or other successors in title as may be recognized by the Board of Directors of the Demerged Company in the following manner::

***“1 (One) Equity Shares of Re. 1 (Rupee One) each at par in the Resulting Company for every 1 (One) Equity Shares of Re. 1(Rupee One) each held by them in the Demerged Company”***

- 1.2 The Resulting Company shall not issue any shares against the shares held by the Resulting Company in the Demerged Company either itself or through its nominees, under this Scheme arrangement for Amalgamation under sections 230 -232 of the Companies Act, 2013.
- 1.3 For arriving at the entitlement ratio as outlined above, the companies have considered the Entitlement Report submitted by an independent professional firm **M/s. Sanjeev Jagdish Chand & Associates, Chartered Accountants.**
- 1.4 The New Shares shall rank pari-passu in all respects, including dividend, with the existing shares of the Resulting Company.
- 1.5 The New Shares to be issued and allotted in terms of this scheme will be subject to the Memorandum and Articles of Association of the Resulting Company. The listing of the said shares is subject to the approval of the BSE/ NSE/SEBI. The New Shares of Resulting Company allotted pursuant to the Scheme shall remain frozen in the depositories system till listing and trading permission is given by the designated Stock Exchanges.



- 1.6 In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors or any committee thereof of the Demerged Company shall be empowered in appropriate cases, even subsequent to the Appointed Date or the Effective Date, as the case may be, to effectuate such a transfer in the Demerged Company, as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the Resulting Company of such shares.
- 1.7 The New Shares of the Resulting Company shall be listed and / or admitted to trading on the Stock Exchanges on which the equity shares of the Demerged Company are listed at that time. The Resulting Company shall enter into such arrangements and give such confirmations and / or undertaking as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchanges.
- 1.8 The Resulting Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue & allotment of New Shares to the shareholders of the Demerged Company under this Scheme.
- 1.9 The New Shares shall be issued in dematerialized form to those shareholders who hold shares of the Demerged Company in dematerialized form, in to the account in which the Demerged Company shares are held or such other account as is intimated by the shareholders to the Demerged Company in physical form shall receive the equity shares, in dematerialized form provided the details of their account with the Depository Participant are intimated in writing to the Demerged Company and / or its Registrar before the Record Date. The shareholders who fail to provide such details shall be issued equity shares in physical form. The Resulting Company shall and to the extent if required, increase its Authorized Share Capital to facilitate issue of equity shares under this Scheme.
- 1.10 Approval of this Scheme by the shareholders of the Resulting Company shall be deemed to be the due compliance of the provision of Section 42 read with Section 62 of the Companies Act, 2013, and the other relevant and applicable provisions of the Act for the issue and allotment of New Shares by the Resulting Company to the shareholders of the Demerged Company, as provided in this Scheme.
- 1.11 The approval of this Scheme by the shareholders of the Demerged Company and the Resulting Company under Section 230 – Section 232 of the Companies Act, 2013 of the Companies Act, 2013, shall be deemed to have the approval under Sections 13, 14 and 186 of the Companies Act, 2013 and other applicable provisions of the Act and any other consents and approval required in this regard

## **2. LISTING OF EQUITY SHARES OF RESULTING COMPANY**

- 2.1 This Scheme is in conformity with the requirements as laid down in Sub-Rule 19 (7) of Securities Contract (Regulation) Rules, 1957 and in terms of the said Sub-rule after allotment of New Shares in Resulting Company, shall on receipt of certified copy of order of the National Company Law Tribunal (NCLT) of relevant jurisdiction sanctioning the Scheme, take necessary steps for listing of shares allotted, simultaneously on all the stock exchanges where the equity shares of Demerged Company are listed.

- 2.2 The Resulting Company shall make application to Securities and Exchange Board of India (SEBI) in terms of Rule 19 (7) of Securities Contract (Regulation) Rules, 1957 for Listing of Equity Shares at all the Stock Exchanges where the Equity Shares of Demerged Company are listed on the Appointed Date without complying with the requirements of Rule 19(2)(b) of Securities Contract (Regulation) Rules, 1957.

### **3. ACCOUNTING TREATMENT**

Pursuant to the Scheme Coming into effect on the Effective Date with effect from the Appointed Date, the Demerged Company and the Resulting Company shall account for the Demerger in their respective books of accounts in accordance with Accounting Standard in the following manner:

#### **3.1 Treatment in the books of the Demerged Company**

- 3.1.1 The book value of the assets and liabilities pertaining to the Demerged Undertaking transferred by the Demerged Company to the Resulting Company shall be reduced from the book values of the assets and liabilities appearing in Books of Accounts of the Demerged Company as on the Appointed Date.
- 3.1.2 The inter-company transactions, deposits / loans and advances outstanding between the Demerged Company and Resulting Company to the extent it relates to the Demerged Undertaking, if any, shall stand cancelled and there shall be no further obligation outstanding in this behalf.
- 3.1.3 The difference being the excess of book values of assets transferred over the book value of liabilities transferred shall be adjusted against the statement of Profit and Loss account of the Demerged Company.

#### **3.2 Treatment in the books of the Resulting Company**

- 3.2.1 Upon the coming into effect of this Scheme, the Resulting Company shall record all the assets and liabilities pertaining to the Demerged Undertaking transferred to and vested in it pursuant of this Scheme, at their respective book values ignoring revaluation, if any, as appearing in the books of account of the Demerged Company as on the Appointed Date.
- 3.2.2 The Resulting Company shall credit to their Equity Share Capital account, the aggregate face value of the New Shares issued by them pursuant to Clause 1.1 of Part C of this Scheme.
- 3.2.3 The difference being the excess of net value of assets and liabilities as recorded under 3.2.1 above of the Demerged Undertaking over the New Shares issued by the Resulting Company on demerger shall be credited to General Reserve Account.
- 3.2.4 The inter-company transactions, deposits / loans and advances outstanding between the Demerged Company and Resulting Company to the extent it relates to the Demerged Undertaking, if any, shall stand cancelled and there shall be no further obligation outstanding in this behalf.
- 3.2.5 In case of any difference in the accounting policies between the Demerged Company and the Resulting Company, the impact of the same till the Appointed Date of scheme will be quantified and adjusted in the free / general

reserve of the Resulting Company to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policies.

## **PART D**

### **1. LISTING REGULATIONS AND SEBI COMPLIANCES**

- 1.1 The Demerged Company being a listed company, this Scheme is subject to the Compliances by the Demerged Company of all the requirements under the listing regulations and all statutory directives of the Securities Exchange Board of India ('SEBI') insofar as they relate to sanction and implementation of the Scheme.
- 1.2 The Demerged Company in compliance with the listing Regulations shall apply for the 'Observation Letter' of NSE Limited/ BSE Limited, where its shares are listed in terms of the Regulation 37 of the listing regulations.
- 1.3 The Demerged Company shall also comply with the directives of SEBI contained in the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10th, 2017 ('Circular') issued by SEBI in terms of Regulation 37 of the listing regulations.
- 1.4 As Para 9 of SEBI Circular, No. CFD/DIL3/CIR/2017/21 dated March 10th, 2017 ('Circular') the Demerged Company will provide voting by the public shareholders through e-voting and will disclose all material facts in the explanatory statement, to be sent to the shareholders for approval of this scheme.

## **PART E**

### **1 SAVING OF CONCLUDED TRANSACTIONS**

Transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking and continuance of the proceedings by or against the Resulting Company, shall not in any manner affect any transaction or proceedings already completed by the Demerged Company (in respect of the Demerged Undertaking) on or before the Appointed Date to the end and intent that the Resulting Company accepts all such acts, deeds and things done and executed by and/or on behalf of the Demerged Company, as acts, deeds and things done and executed by and on behalf of the Resulting Company.

### **2 APPLICATION TO THE TRIBUNAL**

- 2.1 The Demerged Company and Resulting Company shall, make applications to the Hon'ble NCLT under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 seeking orders for dispensing with or convening, holding and conducting of the meetings of the classes of their respective members and/or creditors and for sanctioning this Scheme, with such modifications as may be approved by the NCLT.
- 2.2 Upon this Scheme being approved by the requisite majority of the respective members and creditors of the Demerged Company and Resulting Company (as may be directed by the Hon'ble NCLT), Demerged Company and Resulting Company shall, apply to the Hon'ble NCLT, for sanction of this Scheme under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and for such other order or orders, as the said Hon'ble NCLT may deem fit for carrying this Scheme into effect.

2.3 On approval of this Scheme by the members and creditors of the Demerged Company and Resulting Company, pursuant to Sections 230 to 232 of the Companies Act, 2013, it shall be deemed that all consents required from the shareholders and/or creditors, as the case may be, of the said companies under the provisions of the Act as may be applicable, have been accorded to.

2.4 Upon this Scheme becoming effective, the respective shareholders of the Demerged Company and Resulting Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme.

### **3 MODIFICATION OR AMENDMENTS TO THE SCHEME**

3.1 The Demerged Company and the Resulting Company (acting through their respective Boards of Directors or Committees thereof) may assent to any modifications or amendments to this Scheme, which the Hon'ble NCLT and/or any other authorities/Stock Exchanges may deem fit to direct or impose or which may otherwise be considered necessary or desirable or for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. The Demerged Company and the Resulting Company (acting through their respective Boards of Directors or Committees thereof) be and are hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of the order of the Hon'ble NCLT or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

### **4 EFFECT OF NON-RECEIPT OF APPROVALS**

4.1. In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/ or the Scheme not being sanctioned by the NCLT or such other competent authority and / or the Order not being passed as aforesaid before March 31, 2018 or within such further period or periods as may be agreed upon between the Demerged Company and the Resulting by their Board of Directors (and which the Board of Directors of the Demerged Company and the Resulting agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

### **5 SCHEME CONDITIONAL UPON:**

This scheme is conditional upon:

5.1 The Scheme being agreed to by the respective requisite majorities of the members and/or creditors of the Demerged Company and Resulting Company, if required, in accordance with Section 230-232 of the Companies Act, 2013 and the requisite orders of the NCLT sanctioning this Scheme in exercise of the powers vested in it under the Act.

- 5.2 As Para 9 of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10th, 2017 ('Circular') the Demerged Company will provide voting by the public shareholders through e-voting and will disclose all material facts in the explanatory statement, to be sent to the shareholders for approval of this scheme.
- 5.3 All necessary certified copies of the order of the NCLT sanctioning this Scheme being filed with the Registrar of Companies.
- 5.4 The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.
- 5.5 In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person.
- 5.6 If any part of this Scheme is invalid, ruled illegal by any NCLT, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected there by, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme as will best preserve for the parties the benefits and obligations of this Scheme, including but not limited to such part.

## 6 COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed), incurred in carrying out and implementing this Scheme and matters incidentals thereto, shall be borne by the Resulting Company.

***N.B. - The members are requested to read the entire text of the Scheme attached herewith to get fully acquainted with the provisions thereof. What is stated hereinabove, are brief salient features of the said Scheme.***

9. Summary of the Joint Valuation Analysis and Share Entitlement Report including the basis of valuation is enclosed as **Annexure-2**.
10. The accounting treatment as proposed in the Scheme of Demerger is in conformity with the accounting standards prescribed under Section 133 of the Act. The certificate issued by the Statutory Auditors of the Demerged Company and Resulting Company, are open for inspection.
11. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of the Vikas Ecotech Limited (Applicant Company-1/Demerged Company), Vikas Multicorp Limited (Resulting Company) in their separate meetings held on 29<sup>th</sup> May, 2017, respectively, have adopted a report, inter alia, explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters. Copy of the Reports adopted by the respective Board of Directors of Vikas Ecotech Limited (Demerged Company), Vikas Multicorp Limited (Resulting Company) is enclosed as **Annexure- 3, Annexure- 4 respectively**.

12. No investigation proceedings have been instituted or are pending in relation to the Companies under Sections 210 to 229 of Chapter XIV of the Act or under the corresponding provisions of the Act of 2013. Further, no proceedings are pending under the Act or under the corresponding provisions of the Act of 2013 against any of the Companies.
13. To the knowledge of the Companies, no winding up proceedings have been filed or are pending against them under the Act or the corresponding provisions of the Act of 2013.
14. The audited balance sheet as on 31<sup>st</sup> March, 2017 and Supplementary Unaudited Accounting Statement for the financial year ended 25<sup>th</sup> October, 2017 of Vikas Ecotech Limited (Demerged Company), Vikas Multicorp Limited (Resulting Company) are enclosed as **Annexure-5, Annexure-6 respectively**.
15. Information pertaining to the unlisted entity i.e. Vikas Multicorp Limited (Resulting Company) in the form of abridged prospectus as provided in Part D of Schedule VIII of the ICDR Regulations is enclosed as **Annexure-7**.
16. As per the books of accounts (as on 31.10.2017) Vikas Ecotech Limited (Demerged Company), Vikas Multicorp Limited (Resulting Company) the amount due to the unsecured creditors including trade deposits are Rs. 81,35,85,502/- (approx.), Rs. 22616556 /-(approx.) respectively.
17. As per the books of accounts (as on 31.10.2017) of Vikas Ecotech Limited (Demerged Company), Vikas Multicorp Limited (Resulting Company), the amount due to the secured creditors are Rs. 1,33,41,19,275 (approx.), Rs. 12,70,36,324 /- (approx.) respectively.
18. The name and addresses of the Promoter(s) of Vikas Ecotech Limited (Demerged Company”) their shareholding in the Demerged Company as on 25.12.2017 are as under:

S. No	Name	Address	No. of shares	Percentage
1	Vikas Garg	10/4, East Punjabi Bagh, New Delhi-110026	4,83,43,855	17.27
2	Vikas Garg Huf	10/4, East Punjabi Bagh, New Delhi-110026	33,02,750	1.18
3	Nand Kishore Garg	10/4, East Punjabi Bagh, New Delhi-110026	61,57,775	2.20
4	Seema Garg	10/4, East Punjabi Bagh, New Delhi-110026	11,02,175	0.39
5	Vivek Garg	10/4, East Punjabi Bagh, New Delhi-110026	10,71,550	0.38
6	Ishwar Gupta	B-4, Bhagwan Dass Nagar, East Punjabi Bagh, New Delhi-110026	2,800	0.00
7	Nand Kishore Garg Huf	10/4, East Punjabi Bagh, New Delhi-110026	3,37,750	0.12
8	Vikas Garg (Sukriti Welfare Trust)	10/4, East Punjabi Bagh, New Delhi-110026	44,56,550	1.59
9	Jai Kumar Garg Huf	34/1, East Punjabi Bagh, New Delhi	11,18,500	0.40
10	Asha Garg	34/1, East Punjabi Bagh, New	8,025	0.00

		Delhi		
11	Usha Garg	10/4, East Punjabi Bagh, New Delhi-110026	22,33,000	0.80
12	Jai Kumar Garg	34/1, East Punjabi Bagh, New Delhi-110026	10,19,750	0.36
13	Vaibhav Garg	B-9, Bhagwan Dass Nagar, East Punjabi Bagh, New Delhi-110026	5,000	0.00
14	Sukriti Garg	10/4, East Punjabi Bagh, New Delhi-110026	3,78,325	0.14
15	Vikas Multicorp Limited	G-1, 34/1, East Punjabi Bagh, New Delhi-110026	4,11,66,140	14.69
	<b>Total</b>		<b>11,07,03,945</b>	<b>39.55</b>

19. The name and addresses of the Promoter(s) of Vikas Multicorp Limited (Applicant Company-2/Resulting”) their shareholding in the Resulting Company as on 25.12.2017 are as under:

S. No.	Name	Address	No. of Shares	% age
1	Vikas Garg HUF	10/4, East Punjabi Bagh, New Delhi-110026	81,27,000	1.91
2	Sukriti Garg	10/4, East Punjabi Bagh, New Delhi-110026	81,27,000	1.91
3	Vikas Garg	10/4, East Punjabi Bagh, New Delhi-110026	17,08,63,588	40.23
4	Seema Garg	10/4, East Punjabi Bagh, New Delhi-110026	6,95,10,000	16.36
5	Vaibhav Garg	B-9, Bhagwan Dass Nagar, East Punjabi Bagh, New Delhi-110026	2,16,02,616	5.09
6	Shashi Garg	B-9, Bhagwan Dass Nagar, East Punjabi Bagh, New Delhi-110026	51,80,000	1.22
7	Vinod Kumar Garg	B-9, Bhagwan Dass Nagar, East Punjabi Bagh, New Delhi-110026	6,79,41,720	16.00
8	Vinod Kumar Garg HUF	B-9, Bhagwan Dass Nagar, East Punjabi Bagh, New Delhi-110026	51,80,000	1.22

20. list of Directors and KMP of Vikas Ecotech Limited (Demerged Company) and their individual shareholding in the Demerged Company as on 25.12.2017 are as under:

S. No	Name and Address of Director and KMP	Address	Total Number of Equity Shares	% of total number of shares
1	Sumer Chand Tayal	BQ-5, Shalimar Bagh, Delhi-110052.	20,250	0.01

2	Vivek Garg	10/4, East Punjabi Bagh, New Delhi-110026.	10,71,550	0.38
3	Vikas Garg	10/4, East Punjabi Bagh, New Delhi-110026.	4,83,43,855	17.27
4	Manoj Singhal	I-1721, Chittaranjan Park, New Delhi-110019.	NIL	-
5	Vibha Mahajan	Road No. 24, H. NO. 3, Punjabi Bagh Extn. New Delhi-110026.	NIL	-
6	Ashutosh Kumar Verma	B-1011, Gaur Grandeur, Sector-119, Noida, Gautam Buddha Nagar-201301.	75,000	0.03
7	KapilGupta	E-131, Raheja Atlantis, Sector-31, Gurgaon, Haryana-122001	NIL	-
8	Devender Kumar Garg	G-801, LA Lagune, Golf Course Road, Sector-54, Gurgaon	NIL	-
9	Siddharth Agrawal(CS)	D-682, Chawla Colony Ballabgarh, Faridabad- 121004	NIL	NIL
10	Sumit Garg(CFO)	D-14/130, Sector-8 Rohini New Delhi 110085 DI In	NIL	NIL

21. list of Directors and KMP of Vikas Multicorp Limited (Resulting Company”), and their shareholding in the Resulting Company as on 25.12.2017 are as under:

S. No.	Name and Address of Director and KMP	Address	Total Number of Equity Shares	% of total number of shares
1	Purushottam Dass Bhoot	BW, 18c, Shalimar Apartment, Shalimar Bagh, New Delhi 110088	NIL	-
2	Vikas Garg	10/4 East Punjabi Bagh New Delhi 110026	17,08,63,588	40.23
3	Hari Bhagwan Sharma	586a, Sri Nagar Delhi 110034	NIL	-
4	Pankaj Kumar Gupta	D-40, D-Block, Raja Puri New Delhi 110059	NIL	-
5	Anubhuti Mishra	Ward Number 15, Ishanagar Road, Company Baag, Nowgong, Chhatarpur Chhatarpur 471201	NIL	-
6	Kapil Gupta	E-131, Raheja Atlantis Sector-31 Gurgaon 122001	NIL	-



22. The Pre & Post arrangement (Expected) shareholding pattern of Demerged Company as on 31<sup>st</sup> December, 2017 is as per the table below:

**Demerged Company – Pre Arrangement as on 31.12.2017**

S. No	Category of Shareholders	Nos	No. of Equity Shares	Percentage to equity
1	Promoter & Promoter Group	15	110703945	39.55
	<b>Sub Total (A)</b>	<b>15</b>	<b>110703945</b>	<b>39.55</b>
	Banks/Mutual Funds/Indian Financial Institutions /			
	Mutual Fund			
	Venture Capital Funds			
	Alternate Investment Funds	1	1336000	0.48
	Foreign Venture Capital Investors			
	Foreign Portfolio Investor	4	1167000	0.42
	Financial Institutions / Banks	3	1141979	0.41
	Insurance Companies			
	Provident Funds/ Pension Funds			
	Any Other (Specify)			
	<b>Sub Total (B)</b>	<b>8</b>	<b>3644979</b>	<b>1.30</b>
	Central Government/ State Government(s)/ President of India			
	Sub Total (C)			
	Individuals			
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	36197	77150748	27.56
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	39	27689345	9.89
	<b>Sub Total (D)</b>	<b>36236</b>	<b>104840093</b>	<b>37.46</b>
	Any Others			
	NRI	578	5776170	2.06
	Trusts			
	Clearing Member	265	2857772	1.02
	Individual (HUF)/NBFC Registered with RBI	1068	2,53,64,435	9.06
	Bodies Corporate	597	2,67,12,281	9.57
	<b>Sub Total (E)</b>	<b>2508</b>	<b>6,07,10,658</b>	<b>21.72</b>
	<b>Grand Total (A+B+C+D+E)</b>	<b>38767</b>	<b>27,98,99,675</b>	<b>100.00</b>

Statement showing shareholding of persons belonging to the category “Promoter and Promoter Group”-

<b>S. No</b>	<b>Promoter &amp; Promoter Group</b>	<b>No. of shares</b>	<b>Percentage</b>
<b>1</b>	VIKAS GARG	4,83,43,855	17.272
<b>2</b>	VIKAS GARG	33,02,750	1.180
<b>3</b>	NAND KISHORE GARG	61,57,775	2.200
<b>4</b>	SEEMA GARG	11,02,175	0.394
<b>5</b>	VIVEK GARG	10,71,550	0.383
<b>6</b>	ISHWAR GUPTA	2,800	0.001
<b>7</b>	NAND KISHORE GARG	3,37,750	0.121
<b>8</b>	VIKAS GARG	44,56,550	1.592
<b>9</b>	JAI KUMAR GARG	11,18,500	0.400
<b>10</b>	ASHA GARG	8,025	0.003
<b>11</b>	USHA GARG	22,33,000	0.798
<b>12</b>	JAI KUMAR GARG	10,19,750	0.364
<b>13</b>	VAIBHAV GARG	5,000	0.002
<b>14</b>	SUKRITI GARG	3,78,325	0.135
<b>15</b>	Vikas Multicorp Limited	4,11,66,140	14.686

There will be no change in the shareholding pattern of Demerged Company post scheme of Arrangement.

**23.** The pre arrangement shareholding list of Resulting Company as on 31.12.2017 is as per the table :-

<b>S. No.</b>	<b>Name</b>	<b>No. of Shares</b>	<b>% age</b>
1	Sahyog Multibase Ltd	4,04,18,280	9.52
2	Vikas Garg HUF	81,27,000	1.91
3	Sukriti Garg	81,27,000	1.91
4	Vikas Garg	17,08,63,588	40.23
5	Seema Garg	6,95,10,000	16.36
6	Vaibhav Garg	2,16,02,616	5.09
7	Shashi Garg	51,80,000	1.22
8	Vinod Kumar Garg	6,79,41,720	16.00
9	Vinod Kumar Garg HUF	51,80,000	1.22
10	Ashok Kumar Singhla	58,94,000	1.39
11	Khushboo Singhla	58,80,000	1.38
12	Manish Singhla	58,87,756	1.39

13	Yogesh Kumar Madaan	35,00,000	0.82
14	Deepak Garg	18,88,000	0.44
15	Neha Garg	20,98,000	0.49
16	Sumitra Garg	18,88,000	0.44
17	Rajendra Prasad Garg	7,76,000	0.18
	<b>Grand Total</b>	<b>42,47,61,960</b>	<b>100</b>

The Post arrangement expected shareholding pattern of the Resulting Company as on 31.12.2017 is as per the table:-

S. No	Category of Shareholders	Nos	No. of Equity Shares	Percentage to equity
1	Promoter & Promoter Group	16	42,60,69,729	64.22
	Sub Total (A)	16	42,60,69,729	64.22
	Banks/Mutual Funds/Indian / Financial Institutions			
	Mutual Fund			
	Venture Capital Funds			
	Alternate Investment Funds	1	1,33,6000	0.20
	Foreign Venture Capital Investors			
	Foreign Portfolio Investor	4	11,67,000	0.18
	Financial Institutions / Banks	3	11,41,979	0.17
	Insurance Companies			
	Provident Funds/ Pension Funds			
	Any Other (Specify)			
	Sub Total (B)	8	36,44,979	0.55
	Central Government/ State Government(s)/ President of India			
	Sub Total (C)			
	Individuals			
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	36197	7,71,50,748	11.63
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	47	5,55,01,101	8.36
	Sub Total (D)	36244	13,26,51,849	19.99
	Any Others			
	NRI	578	57,76,170	0.87
	Trusts			
	Clearing Member	265	28,57,772	0.43
	Individual (HUF)/NBFC Registered with RBI	1068	2,53,64,435	3.82

	Bodies Corporate	598	6,71,30,561	10.12
	Sub Total (E)	2509	10,11,28,938	15.24

Statement showing shareholding of persons belonging to the category “Promoter and Promoter Group”-

S. No	Promoter & Promoter Group	No. of shares	Percentage
1	VIKAS GARG	219207443	33.04
2	VIKAS GARG HUF	11429750	1.72
3	NAND KISHORE GARG	6157775	0.93
4	SEEMA GARG	70612175	10.64
5	VIVEK GARG	1071550	0.16
6	ISHWAR GUPTA	2800	0.00
7	NAND KISHORE GARG HUF	337750	0.05
8	JAI KUMAR GARG HUF	1118500	0.17
9	ASHA GARG	8025	0.00
10	USHA GARG	2233000	0.34
11	JAI KUMAR GARG	1019750	0.15
12	VAIBHAV GARG	21607616	3.26
13	SUKRITI GARG	12961875	1.95
14	SHASHI GARG	5180000	0.78
15	VINOD KUMAR GARG	67941720	10.24
16	VINOD KUMAR GARG HUF	5180000	0.78

24. Statement disclosing details of Arrangement and Amalgamation as per sub section 3 of Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

No.	Particulars	Vikas Ecotech Limited	Vikas Multicorp Limited
(i)		Demerged Company	Resulting Company
	Details of the order of the NCLT directing the calling, convening and conducting of the meeting :-		
a.	Date of the Order	8 <sup>th</sup> January, 2018	8 <sup>th</sup> January, 2018
b.	Date, time and venue of the meeting	<b>Meeting of Shareholders</b> Date – Saturday , the 24 <sup>th</sup> Day of February , 2018 Time – 12:30 P.M Venue –Haryana Maitri Bhawan, Sainik Vihar,	<b>Meeting of Secured Creditors</b> Date – Saturday , the 24 <sup>th</sup> Day of February , 2018 Time – 10:00 A.M Venue –Haryana Maitri Bhawan, Sainik

		<p>Pitampura, New Delhi – 110034.</p> <p><b>Meeting of Secured Creditors</b></p> <p>Date – Saturday , the 24<sup>th</sup>Day of February , 2018</p> <p>Time – 2:30 P.M</p> <p>Venue –Haryana Maitri Bhawan, Sainik Vihar, Pitampura, New Delhi – 110034.</p> <p><b>Meeting of Unsecured Creditors</b></p> <p>Date – Saturday , the 24<sup>th</sup>Day of February , 2018</p> <p>Time – 3:30 P.M</p> <p>Venue –Haryana Maitri Bhawan, Sainik Vihar, Pitampura, New Delhi – 110034.</p>	<p>Vihar, Pitampura, New Delhi – 110034.</p> <p><b>Meeting of Unsecured Creditors</b></p> <p>Date – Saturday , the 24<sup>th</sup>Day of February , 2018</p> <p>Time – 11:30 A.M</p> <p>Venue –Haryana Maitri Bhawan, Sainik Vihar, Pitampura, New Delhi – 110034.</p>
(ii)	Details of the Companies including		
a.	Corporation Identification Number (CIN)	L65999DL1984PLC019465	U25111DL1995PLC073719
b.	Permanent Account Number (PAN)	AAACV0608G	AADCA5571A
c.	Name of Company	Vikas Ecotech Limited (Demerged Company)	Vikas Multicorp Limited (Resulting Company)
d.	Date of Incorporation	30.11.1984	09/11/1995
e.	Type of Company	Listed Public Company.	Unlisted Public Company
f.	Registered Office address	34/1, Vikas Apartments, East Punjabi Bagh, New Delhi-110026	G-1, 34/1, East Punjabi Bagh, New Delhi-110026
	E-mail address	cs@vikasecotech.com	moonlitetechnochempvtltd@gmail.com
g.	Summary of main object as per the memorandum of association; and main business carried on by the Company	As per Para 6.1(g) of the Explanatory Statement.	As per Para 6.2(e)of the Explanatory Statement.

h.	Details of change of name, Registered Office and objects of the Company during the last five years	The company changed its name to existing name i.e. Vikas Ecotech Limited and a fresh certificate of incorporation has been issued by Registrar of Companies National Capital Territory of Delhi and Haryana on 21 <sup>st</sup> October, 2015.	The company changed its name to Moonlite Technochem Limited on November 01, 2016 and later on January 24, 2017 it was changed to Vikas MultiCorp Limited. The registered office of the Company is situated at G-1 34/1, East Punjabi Bagh, New Delhi – 110026
I.	Name of stock exchange(s) where securities of the company are listed, if applicable	- BSE Limited - National Stock Exchange of India Limited	Unlisted
j.	Details of capital structure – Authorized, Issued, subscribed and paid-up share capital	As per Para 6.1(h) of the Explanatory Statement and Clause 3.1 of Part A of the Scheme.	As per Para 6.1(f) of the Explanatory Statement and Clause 3.2 of Part A of the Scheme.
k.	Names of the promoters and directors along with their addresses	As per Para 18 and 20 of the Explanatory Statement	As per Para 19 and 21 of the Explanatory Statement
(iii)	If the scheme of compromise or arrangement relates to more than one company, the fact and details of any relationship subsisting between such companies who are parties to such scheme of compromise or arrangement, including holding, subsidiary or associate companies	The resulting Company holds 14.69% shares of the Demerged Company.	

(iv)	The date of board meeting at which the scheme was approved by the board of directors including the name of directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution	The meeting was attended by majority of the Directors on 29.05.2017, and all were voted in favour of the resolution. Mr. Pradip Kumar Banerji, Mr. Manoj Singhal and Mrs. Vibha Mahajan Non-Executive Independent Director have expressed their inability to attend the meeting	The meeting was attended by all the Directors on 29.05.2017, and all were voted in favour of the resolution.
(v)	Explanatory Statement disclosing details of the scheme of compromise or arrangement including:-		
a.	Parties involved in such compromise or arrangement	Vikas Ecotech Limited (Demerged Company) Vikas Multicorp Limited (Resulting Company)	
b.	In case of amalgamation or merger, appointed Date, effective date, share exchange ratio and other considerations if any.		
	Appointed Date	01.04.2017	
	Effective Date	cvThe last of the dates on which the certified or authenticated copy of the orders of the NCLT sanctioning the scheme are filed with the Registrar of Companies by the Demerged Company and the Resulting Company.	
	Share Exchange Ratio and other considerations, if any.	<i>“1 (One) Equity Shares of Re. 1 (Rupee One) each at par in the Resulting Company for every 1 (One) Equity Shares of Re. 1 (Rupee One) each held by them in the Demerged Company</i>	
c.	Summary of Valuation report (if applicable) including basis of valuation and fairness opinion of the registered valuer, if any, and the declaration that the valuation	<b>Refer Annexure - 2 for Valuation Report; and Annexure - 3 for fairness opinion.</b> The same are available for inspection at the Registered Office of the Company on all working days between 11 a.m. to 5.00 p.m.	<b>Refer Annexure - 2 for Valuation Report;</b> The same are available for inspection at the Registered Office of the Company on all working days between 11 a.m. to 5.00 p.m.

	report is available for inspection at registered office of the Company		
d.	Details of capital or debt restructuring, if any	Nil	
e.	Rationale for the compromise or arrangement	Refer Clause C of Preamble of the Scheme. Also refer Para 7 of the Explanatory Statement.	
f.	Benefits of the compromise or arrangement as perceived by the Board of directors to the company, members, creditors and others (as applicable)	As provided in the rationale for scheme of arrangement in Clause C of Preamble of the Scheme and As stated in Para 7 of the Explanatory Statement.	
g.	Amount due to unsecured Creditors as of 31 <sup>st</sup> March, 2017	Rs. 42,52,65,739	Rs. 8,08,96,244
(vi)	<i>Disclosure about effect of the compromise or arrangement on</i>		
	Key Managerial personnel (KMP) (other than Directors)	No effect	No effect
	Directors	No effect	No effect
	Promoters	Shall become the promoters of Resulting Company.	Shall continue as promoter.
	Non-promoter members	Shall become the members of Resulting Company as per share entitlement ratio.	Shall become the members of Resulting Company as per share entitlement ratio.
	Depositors	No Effect as none of the Companies have accepted any deposits	
	Creditors	Creditors of Demerged Company belongs to Demerged Undertaking becomes the creditors of Resulting Company.	N.A
	Debenture holders	No Effect as none of the Companies have issued any debentures.	



	Deposit Trustee & Debenture Trustee	No Effect as none of the Companies have any Deposit or Debenture Trustees.	
	Employees of the Company	Employee of Demerged Company engaged in Demerged Undertaking becomes the employee of Resulting Company.	No Effect.
(vii)	Disclosure about effect of compromise or arrangement on material interest of Directors, Key Managerial Personnel (KMP) and debenture trustee		
	Directors	No material effect of arrangement and amalgamation	
	Key Managerial personnel	No material effect of arrangement and amalgamation	
	Debenture Trustee	Not Applicable	
(viii)	Investigation or proceedings, if any, pending against the company under the Act		None
(ix)	details of the availability of the following documents for obtaining extract from or for making or obtaining copies of or inspection by the members and creditors, namely:		
a.	Latest Audited Financial Statements of the Company including consolidated financial statements	Available at Registered Office of the Demerged Company between 11:00 a.m. to 05:00 p.m. on all working days. Additionally for the Demerged Company, they are also available on the website of the Company and the Stock Exchange, where their shares are listed.	
b.	Copy of the order of Tribunal in pursuance of which the meeting is to be convened or has been dispensed with.	Available at Registered Office of the Demerged Company between 11:00 a.m. to 05:00 p.m. on all working days.	
c.	Copy of scheme of Compromise or Arrangement	Enclosed as Annexure - 1 to this Notice  Available at Registered Office of the Demerged Company between 11:00 a.m. to 05:00 p.m. on all working days. Additionally for the Demerged Company, it is also available on the website of the Company and the Stock Exchange, where their shares are listed.	
d.	Contracts or Agreements material to the compromise or arrangement	There were no contracts or agreement material to the Scheme of Arrangement.	
e.	The certificate issued by the Auditor of the Company to the effect that the accounting treatment, if any, proposed in the scheme of compromise or arrangement	Available at Registered Office of the Demerged Company between 11:00 a.m. to 05:00 p.m. on all working days.	

	is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013; and		
f.	Such other information or documents as the Board or Management believes necessary and relevant for making decision things for or against the scheme	None	
(x)	Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed scheme of compromise or arrangement	No Objection Certificate in the form of Observation Letters received from BSE Limited and NSE on 09.11.2017 & 14.11.2017.	Not Applicable
		Notice under Section 230(5) of the Companies Act, 2013 is being given to:	
		<ul style="list-style-type: none"> <li>(i) The Central Government, through the Regional Director, Northern Region;</li> <li>(ii) The Registrar of Companies;</li> <li>(iii) Commissioner of Income-Tax within whose jurisdiction the applicant –companies are assessed by mentioning the PAN numbers of both the companies;</li> <li>(iv) The Securities and Exchange Board of India;</li> <li>(v) BSE;</li> <li>(vi) NSE;</li> </ul>	
(xi)	A statement to the effect that the persons to whom the notice is sent may vote in the meeting either in person or by proxies, or where applicable, by voting through electronic means	Members to whom the Notice is sent may vote in the meeting either in person or by proxies, or where applicable, by voting through electronic means	

## 25. Inspection Documents

- I. Inspection of the following documents may be had at the Registered Office of Vikas Ecotech Limited (Demerged Company) at 34/1 Vikas Apartments East Punjabi Bagh Delhi - 110026, India on all working days between 11.00 A.M. and 5.00 P.M.

- a. Copy of the order passed by the National Company Law Tribunal, Principal Bench at New Delhi in Application made by Applicant Companies under Company Application (CAA) No. 139 (PB) / 2017 inter alia, convening the meetings.
- b. Copy of Company Application Company Application (CAA) No.139(PB) / 2017 along with Annexure filled by Applicant Companies before NCLT;
- c. Copies of Memorandum and Articles of Association of Applicant Companies;
- d. Copies of Annual Reports of Applicant Companies for the financial years ended on 31<sup>st</sup> March, 2017;
- e. Copy of the Supplementary Unaudited Accounting Statement of the Applicant Companies, respectively, for the period ended 25.10.2017;
- f. Register of Director's Shareholding of Applicant Companies;
- g. Copy of the Share Exchange ratio and Share Entitlement Report issued by M/s Sanjeev Jagdish Chand & Associates, Chartered Accountants to the Board of Directors of Applicant Companies.
- h. Copy of the Statutory Auditors' certificate dated 29.05.2017, Issued by the statutory auditor of the respective applicant companies confirming scheme is in compliance with the Accounting Standard prescribed under section 133 of the Companies Act, 2013;
- i. Copy of the Board Resolutions passed by the respective Board of Directors of the Applicant Companies dated 29.05. 2017
- j. Copy of the Scheme of Arrangement for Demerger; and
- k. Copy of the Reports adopted by the Board of Directors of the Applicant Companies, respectively, pursuant to the provisions of Section 232(2)(c) of the Act.
- l. Copy of Information pertaining to the unlisted entity i.e. Vikas Multicorp Limited (Resulting Company) in the form of abridged prospectus as provided in Part D of Schedule VIII of the ICDR Regulations

A copy of the Scheme, Explanatory Statement and Form of Proxy may be obtained from the Registered Office of Vikas Ecotech Limited (Applicant Company-1) at 34/1 Vikas Apartments East Punjabi Bagh Delhi - 110026.

After the Scheme is approved by the Equity Shareholders of the Applicant Company-1, it will be subject to the approval/ sanction of the National Company Law Tribunal, Principal Bench at New Delhi.

S/d-

A.K. Tewari

Chairman appointed by Hon'ble NCLT for the Meeting of  
Equity shareholders of the  
Vikas Ecotech Limited

Dated: 17<sup>th</sup> day of January, 2018

Place: New Delhi

**SCHEME OF ARRANGEMENT FOR DEMERGER  
BETWEENVIKAS ECOTECH LIMITED  
(DEMERGED COMPANY)  
AND  
VIKAS MULTICORP LIMITED  
(RESULTING COMPANY)  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS  
(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013)**

## **PARTS OF THE SCHEME:**

This Scheme of Arrangement is divided into following parts:

**1. PART A:**

This Part of the Scheme deals with General Provisions used in this Scheme including Definitions and Capital Structure of the Companies along with Objects and Rationale of the Scheme.

**2. PART B:**

This part of the Scheme deals with demerger of the High Volume 'Recycled Compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited (Resulting Company).

**3. PART C:**

This part of the Scheme deals with issue of shares by the Resulting Company to the shareholders of the Demerged Company and listing of the equity shares of Resulting Company. This part of the Scheme also deals with Accounting Treatment for the demerger in the books of Demerged Company and Resulting Company.

**4. PART D :**

This part of the Scheme deals with the application to Stock Exchange/ SEBI and other provisions.

**5. PART E :**

This part of the Scheme deals with General Terms and Conditions as applicable to this Scheme of Arrangement.

**SCHEME OF ARRANGEMENT  
BETWEEN  
  
VIKAS MULTICORP LIMITED  
(RESULTING COMPANY)  
AND  
VIKAS ECOTECH LIMITED  
(DEMERGED COMPANY)  
AND  
THEIR SHAREHOLDERS AND CREDITORS**

**PREAMBLE**

**A. An overview of Scheme of Arrangement**

- This Scheme of Arrangement is presented under the provisions of Section 230 -232 of the Companies Act, 2013 (as defined hereinafter) and other relevant provisions of the Companies Act, 2013 as may be applicable and applicable Rules of Companies (Compromises, Arrangements Amalgamations) Rules, 2016 (as defined hereinafter) for Demerger of High Volume 'Recycled Compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited (Resulting Company) on going concern basis.
- In consideration Vikas Multicorp Limited (Resulting Company) to issue its equity shares to the shareholders of Vikas Ecotech Limited (Demerged Company) on the basis of entitlement ratio, as defined in Part C of this Scheme and listing of these equity shares at the stock exchanges on which shares of Demerged Company is listed in accordance with the applicable regulation of Securities and Exchange Board of India (SEBI), as provided in Part D of this Scheme.
- The Vikas Ecotech Limited (Demerged Company) will retain the High Value Specialty chemical manufacturing business, R&D resources (Remaining Business) and other residuary business in the Company.
- In addition, this Scheme of Arrangement also provides for various other matters consequential or otherwise integrally connected herewith.

**B. Background and Description of Companies**

1. **'Vikas Ecotech Limited' or 'VEL' or 'Demerged Company'** bearing CIN L65999DL1984PLC019465 is a Public Limited Company, originally incorporated as Vikas Leasing Limited on 30<sup>th</sup> November, 1984 in accordance with the provisions of the Companies Act, 1956. Subsequently, the name of the company changed to Vikas Profin Limited and Registrar of Companies National Capital Territory of Delhi and Haryana has issued fresh

certificate of incorporation on 7<sup>th</sup> January 2002. Thereafter again, the name of the Company changed to Vikas Globalone Limited and Registrar of Companies National Capital Territory of Delhi and Haryana have issued a fresh certificate of incorporation on 31<sup>st</sup> December, 2008. The Company again change its name to existing name i.e. Vikas Ecotech Limited and a fresh certificate of incorporation has been issued by Registrar of Companies National Capital Territory of Delhi and Haryana on 21<sup>st</sup> October, 2015. The registered office of the Demerged Company is situated at 34/1 Vikas Apartments, East Punjabi Bagh, Delhi 110026, Delhi, India.

The Company is a widely held listed company having its equity shares listed at 'BSE Limited' (BSE) and National Stock Exchange of India Limited (NSE).

Vikas Ecotech is an emerging player in the global arena engaged in the business of high-end specialty chemicals. It's an integrated, multi-specialty product solutions company, producing a wide variety of superior quality, eco-friendly additives and rubber-plastic compounds. Its additives and rubber-plastic compounds are process-critical and value-enabling ingredients used to manufacture a varied cross-section of high-performance, environment-friendly and safety-critical products. From agriculture to automotive, cables to electricals, hygiene to healthcare, polymers to packaging, textiles to footwear, the company's products serve a diverse range of global industry needs. Company has its manufacturing plants in the state of Rajasthan, Jammu and Kashmir and Uttar Pradesh. Also, the company has announced construction of a new State-of-the-art Plant & Innovation Center at Dahej in Gujarat to cater to Export and Western Indian markets.

- 2. Vikas Multicorp Limited or 'VML' or 'Resulting Company'** bearing CIN U25111DL1995PLC073719 is a Public Limited Company originally incorporated as Akshatha Management Consultant Private Limited on 9<sup>th</sup> November, 1995 in accordance with the provisions of the Companies Act, 1956. Subsequently the name of the company has been changed to Akshatha Services Private Limited and Registrar of Companies National Capital Territory of Delhi and Haryana has issued a fresh certificate of incorporation on 29<sup>th</sup> May, 2001. Thereafter again, the name of the Company changed to Moonlite Technochem Private Limited and Registrar of Companies National Capital Territory of Delhi and Haryana have issued a fresh certificate of incorporation on 29<sup>th</sup> December, 2008. The Company subsequently converted into public limited company and upon conversion of private into public the name of the company changed its name to Moonlite Technochem Limited and a fresh certificate of incorporation have been issued by Registrar of Companies National

Capital Territory of Delhi and Haryana on 1<sup>st</sup> November, 2016. The Company again change its name to existing name i.e. Vikas Multicorp Limited and a fresh certificate of incorporation has been issued by Registrar of Companies National Capital Territory of Delhi and Haryana on 24<sup>th</sup> January, 2017. The registered office of the Resulting Company is situated at G-1, 34/1, East Punjabi Bagh, New Delhi, West Delhi, Delhi, India, 110026.

The Company is engaged in the business of trading of various Chemicals Compounds, Polymers, PVC Resins, Plastic granules, items related to Plastic industry etc.

### **C. Rationale for the Scheme of Arrangement**

- Vikas Ecotech Limited ('VEL' or 'Demerged Company') has two core business verticals viz. High Value Specialty chemicals business (Remaining Business) and another is the High volume 'Recycled Compounds and Trading Division' (Demerged Undertaking). Both the verticals have their own strengths and dynamics but the nature of businesses of the two verticals are unconnected and distinct. It is being felt that each of the business vertical has the potential of being developed into a parallel, scaleable and independently profitable business but, requires focused management and long term business plan. Thus, the management was contemplating the segregation of the two verticals.
- Vikas Multicorp Limited ('VML' or 'Resulting Company') is a group company and a part of the promoter group of Vikas Ecotech Limited (VEL or Demerged Company). The business of Resulting Company is similar to the business of the Demerged Undertaking. Hence in order to unlock the true value of each of the business verticals and achieve prosperity in segment the management of the both the companies have decided to Demerge the 'Recycled and Trading Compounds Division' from VEL and amalgamate with VML. This would enable the VML and VEL both to gain economies of scale and unify all shareholder interests and eliminate any conflict of interests. Both the businesses would have separate and different sets of management, staff and facilities – each of which would be designed in alignment with its own business needs.
- The dynamic and diversified nature of the industry in which the Company operates and external factors including performance of financial markets, exchange or interest rate fluctuations, business environment and government policies etc. have varied effects on the growth prospects of different verticals of the Company. Thus, the Demerged Company would be able to revise its business plans and priorities from time to time thereby, ensuring speedy and profitable growth of the Company and enhance shareholder's wealth.



- Further, economic environments, capital market dynamics, the investors' community for the two divisions i.e. the high value 'Specialty chemicals' and high volume 'Recycled Compounds and Trading Division' are different. Thus, to ensure better focus of management for the growth of both the divisions, to create independent legal entities for each division, to enable each of the businesses to achieve One thousand crores topline in their own sphere of operations the Board of Directors of both Companies are of the opinion that Scheme of Arrangement/ Demerger of 'Recycled Compounds and Trading Division' from Demerged Company and consequently amalgamating the same with Vikas Multicorp Limited (Resulting Company) would be beneficial to the shareholders, creditors, employees and all the stakeholders at large.
- The proposed reconstruction will add better value to the businesses and create fresh opportunities as under :
  - Resulting Company will be able to focus on high volume 'Recycled Compounds and Trading Division' (Demerged Undertaking);
  - Demerged company will be able to focus on high value Specialty chemicals (Remaining Business) and other residuary business;

Further, the listing of the equity shares of Resulting Company on the stock exchanges on which shares of the Demerged Company are listed would help the shareholders of Demerged Company to unlock the value of their shares.

- D.** The Scheme of Arrangement has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the said provisions at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modification will however not affect other parts of the Scheme.

## PART A

### 1. DEFINITIONS:

In this Scheme, unless repugnant to the subject or context or meaning thereof, the following expressions shall have the meanings as set out herein below:

- 1.1. **'Act'** means the Companies Act, 2013, and rules made thereunder and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force.
- 1.2. **"Applicable Law(s)"** means (a) all the applicable statutes, notification, enactments, act of legislature, listing regulations, bye-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or other instructions having force of law enacted or issued by any Appropriate Authority including any statutory modifications or re-enactment thereof for the time being in force (b) administrative interpretations, writs, injunctions, directions, directives, judgments, arbitral awards, decree, orders, or governmental approvals of, or agreement with, any relevant authority, as may be in force from time to time;
- 1.3. **'Appointed Date'** means 1<sup>st</sup> day of April, 2017 or such other date as may be approved by the National Company Law Tribunal (NCLT) or by such other competent authority having jurisdiction over the Demerged Company and the Resulting Company.
- 1.4. **'Board' or 'Board of Directors'** shall mean Board of Directors of the Demerged Company or the Resulting Company, as the case may be, and unless it be repugnant to the context or otherwise, include a committee of directors or any person(s) authorized by the board of directors or such committee of directors.
- 1.5. **BSE** shall mean **BSE Limited**.
- 1.6. **'Demerged Company'** shall mean **'Vikas Ecotech Limited' or 'VEL'** and shall have the meaning assigned to it in Part B of the Preamble.
- 1.7. **'Demerged Undertaking' or High Volume 'Recycled Compounds and Trading Division'** means such undertakings, properties, assets and liabilities, of whatsoever nature and kind and wheresoever situated, of the Demerged Company pertaining to its High Volume 'Recycled Compounds and Trading Division' as detailed below :
  - (i) The business relating to High Volume "Recycled Compounds and Trading Division" of the Demerged Company and other ancillary businesses connected therewith, on a going concern basis;

- (ii) All assets wherever situated, whether movable or immovable, leasehold or freehold, tangible or intangible, including all capital work-in-progress, vehicles, furniture, fixtures, office equipment, computer installations, electrical, appliances, accessories, investments, stocks, intellectual properties, technical knowhow, patents, copy rights, licenses, approvals pertaining to or relatable to the Demerged Undertaking;
- (iii) All debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of accounts or disclosed in the balance sheets relating to or appertaining to the said business, as per the records of the Demerged Company, and shall also include any obligations under any license, permits, appertaining to the Demerged Undertaking;
- (iv) For the purpose of this Scheme, it is clarified that liabilities pertaining to the “Recycled Compounds and Trading Division” include:
- a) The liabilities which arise out of the activities or operations of the High Volume “ Recycled Compounds and Trading Division”;
  - b) Specific Loans and/ or borrowing raised, incurred and/ or utilized solely for the activities or operations of the High Volume “ Recycled Compounds and Trading Division”;
  - c) Liabilities other than those referred to in Sub Clause (a) and(b) above and not directly relatable to the High Volume “Recycled Compounds and Trading Division” being the amount of any general or multipurpose borrowings of the Demerged Company shall be allocated to High Volume “ Recycled Compounds and Trading Division” in the same proportion which the value of the assets transferred under this clause bears to the total value of assets of the Demerged Company, immediately before giving effect to the demerger of High Volume “ Recycled Compounds and Trading Division” of the Demerged Undertaking.

Any question that may arise, as to whether the specified asset or liability pertains or does not pertain to the High Volume “ Recycled Compounds and Trading Division” or whether it arises out of the activities or operations of the High Volume “ Recycled Compounds and Trading Division” or not shall be decided by the Board of Directors of Demerged Company or any committee thereof.

*A Schedule of Assets and Liabilities of Demerged Undertaking, **as on the 1<sup>st</sup> April, 2017** is attached hereto and marked as **Schedule A.***

- (v) All permanent employees of Demerged Company substantially engaged in the Demerged Undertaking and those permanent employees that are determined by the Board of Directors of the Demerged Company, to be substantially engaged in or in relation to the Demerged Undertaking;
- (vi) All rights and licenses, Membership all assignments and grants thereof, all permits, registrations, quota rights, import quotas, rights (including rights under any agreement, contracts, applications, letters of intent, or any other contracts), subsidies, grants, tax credits, incentives or schemes of central/ state governments, quality certifications and approvals, product registrations (both Indian and foreign), regulatory approvals, entitlements, industrial and other licenses, municipal permissions, goodwill, approvals, consents, tenancies, if any in relation to the office and/or residential properties for the employees, investments and/or interest (whether vested, contingent or otherwise) in projects undertaken by the Demerged Undertaking, either solely or jointly with other parties, cash balances, bank balances, bank accounts, deposits, advances, recoverable, receivables, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued by Demerged Company in relation to the Demerged Undertaking, funds belonging to or proposed to be utilized for the High Volume “ Recycled Compounds and Trading Division”, privileges, all other claims, rights and benefits (including under any powers of attorney issued by the Demerged Company in relation to the Demerged Undertaking or any powers of attorney issued in favour of the Demerged Company or from or by virtue of any proceeding before a legal, quasi-judicial authority or any other statutory authority to which the Demerged Company was a party, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Demerged Undertaking;
- (vii) All books, records, files, papers, computer programs along with their licenses, manuals and back - up copies, drawings, other manuals, data catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form, directly or indirectly in connection with or relating to the Demerged Undertaking;
- (viii) All advances, deposits and balances with Government, Semi-Government, Local and other authorities and bodies, customers and other persons, earnest moneys and/or security deposits

paid or received by the Demerged Company, directly or indirectly in connection with or in relation to the Demerged Undertaking;

- (ix) All legal or other proceedings of whatsoever nature that pertain to the “Trading and Recycled Compounds Division”.

**Explanation:**

In case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the Recycled Compounds and Trading Business of the Demerged Company, the same shall be decided by the Board of Directors of the Demerged Company and Resulting Company.

- 1.8. **‘Effective Date’:** means the date on which certified copy of the order of the Hon’ble National Company Law Tribunal of, Principal Bench, New Delhi under Sections 230 and 232 of the Act sanctioning the Scheme is filed with the Registrar of Companies of NCT of Delhi and Haryana, New Delhi.

References in this Scheme to the date of “Upon the Scheme becoming effective” or “Effectiveness of this Scheme” shall mean the Effective Date.

- 1.9. **‘Listing Regulations’:** means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes any amendments, modification or any enactment thereof .

- 1.10. **‘NCLT’ or ‘Tribunal’:** means the Hon’ble National Company Law Tribunal, Principal Bench, New Delhi, or any other appropriate forum or authority empowered to approve the Scheme as per the law for the time being in force.

- 1.11. **NSE** shall mean **National Stock Exchange of India Limited.**

- 1.12. **‘Record Date(s)’** means the date(s) to be fixed by the Board of Directors of the Demerged Company, after the Effective Date, with reference to which the eligibility of the equity shareholder of the Demerged Company, for the purposes of issue and allotment of shares of the Resulting Company, in terms of the Scheme, shall be determined.

- 1.13. **‘Registrar of Companies’ or ‘RoC’:** means the Registrar of Companies of NCT of Delhi and Haryana, New Delhi.

- 1.14. **Rules :** means Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

- 1.15. **Remaining Business'** means all the business, assets and liabilities and activities of the 'Demerged Company' related to High Value "Specialty chemicals business" or other than the business, assets and liabilities of 'Demerged Undertaking" which upon this scheme becoming effective be vested with the Resulting Company as provided in this scheme.
- 1.16. **'Resulting Company'** or **'VML'** shall mean **Vikas Multicorp Limited**.
- 1.17. **'SEBI'** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- 1.18. **'SEBI Circular'** means Circular No. CFD/DIL3/CIR/2017/21 dated March 10<sup>th</sup>, 2017 issued by SEBI.
- 1.19. **'Scheme'** means this Scheme of Arrangement, as set out herein and approved by the Board of Directors of the Demerged Company and the Resulting Company, subject to such modifications as the NCLT may impose or the Demerged Company or Resulting Company may prefer and the NCLT may approve. All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning prescribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.
- 1.20. **'Stock Exchanges'** shall mean BSE and NSE, where the equity shares of the Demerged Company are currently listed.

## **2. DATE OF EFFECT AND OPERATIVE DATE:**

The Scheme set out herein in its present form or with modification (s), if any, approved or imposed or directed by the NCLT, the scheme shall be effective from the Appointed Date but shall come into operation from the Effective Date.

## **3. CAPITAL STRUCTURE :**

The Capital Structure of the Demerged Company and the Resulting Company as on the 31<sup>st</sup> March, 2017 are as follows:

3.1. The Capital Structure of the Demerged Company as on 31<sup>st</sup> March, 2017 are as follows:

Particulars	Amount (Rs.)
<b>Authorized Capital:</b>	
32,00,00,000 Equity Shares of Re.1/- each	32,00,00,000
<b>Total</b>	<b>32,00,00,000</b>
<b>Issued, Subscribed and Paid up Capital:</b>	
27,98,99,675 Equity Shares of Re.1/- each	27,98,99,675
<b>Total</b>	<b>27,98,99,675</b>

There is no change in the Capital Structure of the Demerged Company after 31<sup>st</sup> March 2017.

3.2. The Capital Structure of the Resulting Company as on 31<sup>st</sup> March, 2017 are as follow:

Particulars	Amount (Rs.)
<b>Authorized Capital:</b>	
3,10,00,000 Equity Shares of Rs.10/- each	31,00,00,000
<b>Total</b>	<b>31,00,00,000</b>
<b>Issued, Subscribed and Paid up Capital:</b>	
3,03,40,140 Equity Shares of Rs.10/- each	30,34,01,400
<b>Total</b>	<b>30,34,01,400</b>

Further, pursuant to approval of members in Extra-Ordinary General Meeting of the Resulting Company held on 15<sup>th</sup> May, 2017, the Resulting Company has also subdivided its 1 (One) equity share of Rs. 10/- (Rupees Ten) each into 10 (Ten) equity shares of Re 1/- (Rupee One) each. Subsequently on 25<sup>th</sup> May, 2017 the Resulting Company has capitalized its reserves amounting to Rs. 12,13,60,560/- (Twelve Crores, Thirteen lacs, Sixty Thousand, Five hundred Sixty) and issued bonus shares in the ratio of 4:10, accordingly 12,13,60,560/- (Twelve Crores, Thirteen lacs, Sixty Thousand, Five hundred Sixty) equity shares of face value of Rs. 1/- (Rupees One) each have been issued to its existing shareholders in the form of bonus shares. The Capital Structure of the Resulting Company as on 25<sup>th</sup> May, 2017 is as under:

Particulars	Amount (Rs.)
<b>Authorized Capital:</b>	
43,00,00,000 Equity Shares of Re. 1/- each	43,00,00,000
<b>Total</b>	43,00,00,000
<b>Issued, Subscribed and Paid up Capital:</b>	42,47,61,960
42,47,61,960 Equity Shares of Re1/- each	
<b>Total</b>	<b>42,47,61,960</b>

## PART B

### TRANSFER AND VESTING OF HIGH VOLUME “RECYCLED COMPOUNDS AND TRADING DIVISION” (DEMERGED UNDERTAKING)

#### 1. TRANSFER OF DEMERGED UNDERTAKINGS

Upon this Scheme becoming effective and with effect from the Appointed Date and pursuant to Section 230 and Section 232 of the Companies Act, 2013 and other applicable provisions of law for the time being in force, and pursuant to the orders of the NCLT or other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instrument, deed, matter or thing, the Demerged Undertaking shall stand vested in the Resulting Company, as a going concern, together with all its properties, assets, rights, benefits and interest therein.

#### 2. TRANSFER OF ASSETS

- (i) Upon this Scheme becoming effective and with effect from the Appointed Date, all assets relating to the Demerged Undertaking as are movable or immovable in nature or are otherwise capable of transfer by manual delivery or by endorsement and acknowledgement of possession pursuant to this Scheme, shall stand transferred and vested as such by the Demerged Company and shall become the property and an integral part of the Resulting Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.



- (ii) Upon this Scheme becoming effective and with effect from the Appointed Date, any and all movable properties of the Demerged Company relating to the Demerged Undertaking, other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans and advances and other current assets, if any, recoverable in cash or in kind or for value to be received, cash & bank balances and deposits, shall without any further act, instrument or deed, become the property of the Resulting Company.
- (iii) Upon this Scheme becoming effective and with effect from the Appointed Date, all assets, estate, rights, title, interest and authorities acquired by the Demerged Company after the Appointed Date and prior to the Effective Date pertaining to the Demerged Undertaking shall also stand transferred to and vested in the Resulting Company upon coming into effect of the Scheme.

### **3. TRANSFER OF LIABILITIES AND RELATED SECURITIES/ CHARGES**

- (i) Upon this Scheme becoming effective and with effect from the Appointed Date, all debts, liabilities and obligations, whether recorded or not, of the Demerged Company relating to the Demerged Undertaking, as on the close of business on the day immediately preceding the Appointed Date (hereinafter referred to as the Transferred Liabilities) shall become the debts, liabilities, duties and obligations of the Resulting Company, upon the Scheme becoming effective, who shall undertake to meet, discharge and satisfy the same to the exclusion of the Demerged Company. All the debts, liabilities, duties and obligations, secured or unsecured, whether recorded or not, relating to the remaining business shall continue to remain in the Demerged Company. Upon this Scheme becoming effective and with effect from the Appointed Date, where any of the liabilities and obligations of the Demerged Undertaking as on the Appointed Date deemed to be transferred to the Resulting Company have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been taken for and on account of the Resulting Company and all loans raised and used and all liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date shall also without any further act or deed be and stand transferred to the Resulting Company and shall become liabilities of the

Resulting Company which shall meet, discharge and satisfy the same. Such liabilities shall also form part of the Transferred Liabilities as defined hereinabove.

- (ii) Upon this Scheme becoming effective and with effect from the Appointed Date, in so far as the existing security in respect of the Transferred Liabilities of the Demerged Undertaking is concerned, such security shall continue to extend to and operate over the assets comprised in the Demerged Undertaking, as the case may be, which have been charged in respect of the Transferred Liabilities as transferred to the Resulting Company pursuant to this Scheme. Provided, however, that if any of the assets comprised in the Demerged Undertaking which have not been charged or secured in respect of the Transferred Liabilities, such assets shall be transferred to the Resulting Company as unencumbered assets and in the absence of any formal amendment, which may be required by a lender or third party, shall not affect the operation of the above and this Scheme shall not operate so as to require any charge or security to be created on such assets in relation to the Transferred Liabilities as defined hereinabove.
- (iii) Further, in so far as the assets comprised in the Demerged Undertaking is concerned, the security and charge over such assets relating to any loans or borrowings which are not transferred pursuant to this Scheme (and which shall continue with the Remaining Businesses), shall without any further act or deed be realized from such encumbrance and shall no longer be available as security in relation to such liabilities.
- (iv) Without prejudice to the provisions of the foregoing clauses and upon the Scheme becoming effective, the Demerged Company and the Resulting Company, if required, may execute any instruments or documents or do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the ROC to give formal effect to the above provisions.
- (v) Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Resulting Company alone shall be liable to perform all obligations in respect of the Transferred Liabilities and the Demerged Company shall not have any obligations in respect of the Transferred Liabilities, and the Resulting Company shall indemnify the Demerged Company in this behalf.
- (vi) It is expressly provided that, save as mentioned in this Clause, no other term or condition of the Transferred Liabilities is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.

(vii) Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Scheme, if approved by Hon'ble NCLT, shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

**4. TRANSFER OF CONTRACTS, AGREEMENTS, MOU, PERMITS, QUOTAS AND LICENCE OF DEMERGED UNDERTAKING.**

(i) Upon the coming into effect of this Scheme and with effect from the Appointed Date, any and all contracts, agreements, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, tenancy or leasehold or hire purchase agreements and other instruments of whatsoever nature in relation to the Demerged Undertaking, to which the Demerged Company are a party or to the benefits of which, the Demerged Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date shall be in full force and effect, on or against or in favor of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or oblige thereto;

(ii) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all permits, quotas, rights, entitlements, licenses including those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature, leave and license agreements, trade mark licenses including application for registration of trade mark, storage & warehousing agreements, commission agreements, Lease agreements, Hire Purchase Agreements, franchisee agreements in relation to the Demerged Undertaking to which the Demerged Company are a party or to the benefit of which the Demerged Company may be eligible and which are subsisting or having effect immediately before the Effective Date shall be and remain in full force and effect in favour of or against Resulting Company as the case may be, and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or oblige thereto;

(iii) Upon the coming into effect of this Scheme and with effect from the Appointed Date, any and all statutory licenses, no-objection certificates, permissions, approvals, consents,

quotas, rights, entitlements, trade mark licenses including application for registration of trade mark, licenses including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto, in relation to the Demerged Undertaking shall stand transferred to or vested in the Resulting Company, without any further act or deed done by the Demerged Company and the Resulting Company and shall be appropriately mutated by the statutory authorities concerned therewith in favor of the Resulting Company upon the vesting and transfer of the Demerged Undertaking pursuant to this Scheme.

- (iv) Upon the coming into effect of this Scheme and with effect from the Appointed Date, any such statutory and regulatory no-objection certificates, licenses, permissions, consents, approvals, authorizations or registrations, trade mark licenses including application for registration of trade mark as are jointly held for Demerged Undertaking and the remaining businesses, including the statutory licenses, permissions or approvals, registrations under Sales Tax/VAT, Service Tax, Shops and Establishments Act or consents required to carry on the operations in the remaining businesses, shall be deemed to constitute separate licenses, permissions, no-objection certificates, consents, approvals, authorities, registrations or statutory rights and the relevant or concerned statutory authorities and licensors shall endorse and/or mutate or record the separation, pursuant to the filing of this Scheme as sanctioned by the Hon'ble NCLT, with such authorities and licensors after the same becomes effective, so as to facilitate the continuation of operations in the Resulting Company without hindrance from the Appointed Date.

The benefit of all statutory and regulatory permissions, licenses and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Demerged Undertaking shall vest in and become available to the Resulting Company pursuant to the Scheme.

- (v) All contractors hitherto engaged by the Demerged Company in relation to the Demerged Undertaking shall be deemed to be engaged by the Resulting Company for the same purpose on the same terms and conditions.

## **5. EMPLOYEE MATTERS**

- (i) Upon the coming into effect of this Scheme and with effect from the Appointed Date, the services of all Employees of the Demerged Company employed in the Demerged Undertaking shall stand transferred to the Resulting Company on the same terms and conditions at which these Employees are engaged by the Demerged Company without

any interruption of service as a result of the transfer. The Resulting Company also undertakes to accept and abide by any change in terms and conditions that may be agreed/ affected by the Demerged Company with all such Employees between the Appointed Date and Effective Date.

- (ii) The Resulting Company undertakes to continue to abide by any agreements/ settlements entered into by the Demerged Company in respect of Demerged Undertaking with any union/ representatives of the Employees of the Demerged Company. The Resulting Company agrees that the Resulting Company shall take the services of all such employees with the Demerged Company up to the Effective Date into account for the purpose of all retirement benefits payable to such employees subsequently. The Resulting Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, such past services with the Demerged Company shall also be taken into account and agrees and undertakes to pay the same as and when payable.
- (iii) In so far as the existing provident fund, gratuity fund and pension and/or superannuation fund, employees state insurance schemes, trusts, retirement fund or benefits and any other funds or benefits created by the Demerged Company for the Employees related to the Demerged Undertaking (collectively referred to as the "Funds"), the Funds and such of the investments made by the Funds which are preferable to the Employees related to the Demerged Undertaking being transferred to the Resulting Company in terms of Sub Clause (i) of Clause 5 above shall be transferred to the Resulting Company and shall be held for their benefit pursuant to this Scheme. The Resulting Company in its sole discretion, will establish necessary Funds to give effect to the above transfer or deposit the same in the schemes governed under the applicable laws and rules made there under, as amended from time to time, namely Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and/or Employees State Insurance Act, 1948 and/or Payment of Gratuity Act, 1972. In the event that the Resulting Company does not have its own funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, continue to contribute to the relevant Funds of the Demerged Company, until such time that the Resulting Company creates its own fund, at which time the Funds and the investments and contributions pertaining to the Employees related to Demerged Undertaking shall be transferred to the funds created by the Resulting Company.

## **6. LEGAL PROCEEDING**

If any suit, appeal or other proceedings relating to Demerged Undertaking of whatsoever nature by or against the Demerged Company is pending the same shall not be transferred to Resulting Company and the proceedings may be continued, prosecuted and enforced, by or against the Demerged Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Demerged Company, as if this Scheme had not been made.

## **7. INCOME TAX AND OTHER PROVISIONS**

- (i) Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and Annexures under the Income Tax Act, 1961, central sales tax, applicable state value added tax, service tax law, excise duty laws and other tax laws, and to claim refunds and/or credit for taxes paid (including minimum alternate tax, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- (ii) Any refunds or credits, under the Income Tax Act, 1961, Service tax laws, excise duty laws, central sales tax, applicable state value added tax laws or other applicable laws/regulations dealing with taxes/ duties/ levies due to Demerged Company relating to Demerged Undertaking consequent to the assessment made on Demerged Company (including any refund for which no credit is taken in the accounts of the Demerged Company) as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company upon this Scheme becoming effective.
- (iii) The tax payments (including but not limited to income tax, service tax, excise duty, central sales tax, applicable state value added tax, etc.) whether by way of tax deducted at source, advance tax or otherwise howsoever, by the Demerged Company relating to Demerged Undertaking after the Appointed Date, shall be deemed to be paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.
- (iv) Further, any tax deducted at source by Demerged Company with respect to Demerged Undertaking on transactions with the Resulting Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.
- (v) Upon the Scheme coming into effect, any obligation of tax at source on any payment made by or to be made by the Demerged Company relating to Demerged Undertaking

shall be made or deemed to have been made and duly complied with by the Resulting Company.

## **8. OTHER PROVISIONS**

- (i) The Demerged Company and the Resulting Company may, after the Scheme becomes effective, for the sake of good order, execute amended and re-stated arrangements or confirmations or other writings, for the ease of the Demerged Company, the Resulting Company and the counter party concerned in relation to the Remaining Business and the Demerged Undertaking, without any obligation to do so and without modification of any commercial terms or provisions in relation thereto.
- (ii) Upon the Scheme becoming effective, the Resulting Company shall secure the change in record of rights and any other records relevant for mutating the legal ownership of any immovable property vested with the Resulting Company and relating to the Demerged Undertaking. The Demerged Company and the Resulting Company are jointly and severally authorized to file such declarations and other writings to give effect to this Scheme and to remove any difficulties in implementing the terms hereof.

## **9. CONDUCT OF BUSINESS**

- (i) With effect from the Appointed Date and up to and including the Effective Date:
  - (i) The Demerged Company shall be deemed to have been carrying on all business and activities relating to the Demerged Undertaking for and on behalf of and in trust for the Resulting Company: and
  - (ii) All income, expenditures including management costs, profits accruing to the Demerged Company and all taxes thereof or losses arising or incurred by it relating to the Demerged Undertaking shall, for all purposes, be treated as the income, expenditures, profits, taxes or losses, as the case may be, of the Resulting Company.
- (ii) With effect from the Effective Date, the Resulting Company shall be duly authorized to carry on the business of the Demerged Undertaking, previously carried on by the Demerged Company.
- (iii) The Resulting Company unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all the liabilities and obligations of the Demerged Undertaking with effect from the Appointed Date, in order to give effect to the foregoing provisions.
- (iv) The Demerged Company and the Resulting Company are expressly permitted to revise their Income Tax, Wealth Tax, Sales Tax, VAT and all other statutory returns, including without limitation TDS certificates and the right to claim refund, advance tax credits etc., upon the Scheme becoming effective. It is specifically declared that the taxes paid by the Demerged

Company relating to the period on or after the Appointed Date whether by way of deduction at source or advance tax, which pertains to the Demerged Undertaking, shall be deemed to be the taxes paid by the Resulting Company and the Resulting Company shall be entitled to claim credit for such taxes deducted/paid against its tax liabilities notwithstanding that the certificates/challans or other documents for payment of such taxes are in the name of the Demerged Company.

## PART –C

### ISSUE OF SHARES FOR DEMERGER AND ACCOUNTING TREATMENT

#### 1. ISSUE OF SHARES

1.1 Upon this Scheme becoming effective and upon vesting of the Demerged Undertaking of the Demerged Company into the Resulting Company in terms of this Scheme, the Resulting Company shall, without any further application or deed, issue and allot Equity shares (“New Shares”), credited as fully paid-up, to the extent indicated below, to the members of the Demerged Company, holding fully paid up equity shares in the Demerged Company and whose names appear in the Register of Members of the Demerged Company on the Record Date or to such of their respective heirs, executors, administrators or other legal representative or other successors in title as may be recognized by the Board of Directors of the Demerged Company in the following manner::

***“1 (One) Equity Shares of Re. 1 (Rupee One) each at par in the Resulting Company for every 1 (One) Equity Shares of Re. 1 (Rupee One) each held by them in the Demerged Company”***

1.2 The Resulting Company shall not issue any shares against the shares held by the Resulting Company in the Demerged Company either itself or through its nominees, under this Scheme arrangement for Amalgamation under sections 230 -232 of the Companies Act, 2013.

1.3 For arriving at the entitlement ratio as outlined above, the companies have considered the Entitlement Report submitted by an independent professional firm **M/s. Sanjeev Jagdish Chand & Associates, Chartered Accountants.**

1.4 The New Shares shall rank pari-passu in all respects, including dividend, with the existing shares of the Resulting Company.

1.5 The New Shares to be issued and allotted in terms of this scheme will be subject to the Memorandum and Articles of Association of the Resulting Company. The listing of the said



shares is subject to the approval of the BSE/ NSE/SEBI. The New Shares of Resulting Company allotted pursuant to the Scheme shall remain frozen in the depositories system till listing and trading permission is given by the designated Stock Exchanges.

- 1.6 In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors or any committee thereof of the Demerged Company shall be empowered in appropriate cases, even subsequent to the Appointed Date or the Effective Date, as the case may be, to effectuate such a transfer in the Demerged Company, as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the Resulting Company of such shares.
- 1.7 The New Shares of the Resulting Company shall be listed and / or admitted to trading on the Stock Exchanges on which the equity shares of the Demerged Company are listed at that time. The Resulting Company shall enter into such arrangements and give such confirmations and / or undertaking as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchanges.
- 1.8 The Resulting Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue & allotment of New Shares to the shareholders of the Demerged Company under this Scheme.
- 1.9 The New Shares shall be issued in dematerialized form to those shareholders who hold shares of the Demerged Company in dematerialized form, in to the account in which the Demerged Company shares are held or such other account as is intimated by the shareholders to the Demerged Company in physical form shall receive the equity shares, in dematerialized form provided the details of their account with the Depository Participant are intimated in writing to the Demerged Company and / or its Registrar before the Record Date. The shareholders who fail to provide such details shall be issued equity shares in physical form. The Resulting Company shall and to the extent if required, increase its Authorized Share Capital to facilitate issue of equity shares under this Scheme.
- 1.10 Approval of this Scheme by the shareholders of the Resulting Company shall be deemed to be the due compliance of the provision of Section 42 read with Section 62 of the Companies Act, 2013, and the other relevant and applicable provisions of the Act for the issue and allotment of New Shares by the Resulting Company to the shareholders of the Demerged Company, as provided in this Scheme.

1.11 The approval of this Scheme by the shareholders of the Demerged Company and the Resulting Company under Section 230 – Section 232 of the Companies Act, 2013 of the Companies Act, 2013, shall be deemed to have the approval under Sections 13, 14 and 186 of the Companies Act, 2013 and other applicable provisions of the Act and any other consents and approval required in this regard

## **2. LISTING OF EQUITY SHARES OF RESULTING COMPANY**

2.1 This Scheme is in conformity with the requirements as laid down in Sub-Rule 19 (7) of Securities Contract (Regulation) Rules, 1957 and in terms of the said Sub-rule after allotment of New Shares in Resulting Company, shall on receipt of certified copy of order of the National Company Law Tribunal (NCLT) of relevant jurisdiction sanctioning the Scheme, take necessary steps for listing of shares allotted, simultaneously on all the stock exchanges where the equity shares of Demerged Company are listed.

2.2 The Resulting Company shall make application to Securities and Exchange Board of India (SEBI) in terms of Rule 19 (7) of Securities Contract (Regulation) Rules, 1957 for Listing of Equity Shares at all the Stock Exchanges where the Equity Shares of Demerged Company are listed on the Appointed Date without complying with the requirements of Rule 19(2)(b) of Securities Contract (Regulation) Rules, 1957.

## **3. ACCOUNTING TREATMENT**

Pursuant to the Scheme Coming into effect on the Effective Date with effect from the Appointed Date, the Demerged Company and the Resulting Company shall account for the Demerger in their respective books of accounts in accordance with Accounting Standard in the following manner:

### **3.1 Treatment in the books of the Demerged Company**

3.1.1 The book value of the assets and liabilities pertaining to the Demerged Undertaking transferred by the Demerged Company to the Resulting Company shall be reduced from the book values of the assets and liabilities appearing in Books of Accounts of the Demerged Company as on the Appointed Date.

3.1.2 The inter-company transactions, deposits / loans and advances outstanding between the Demerged Company and Resulting Company to the extent it relates to the Demerged Undertaking, if any, shall stand cancelled and there shall be no further obligation outstanding in this behalf.

- 3.1.3 The difference being the excess of book values of assets transferred over the book value of liabilities transferred shall be adjusted against the statement of Profit and Loss account of the Demerged Company.

### **3.2 Treatment in the books of the Resulting Company**

- 3.2.1 Upon the coming into effect of this Scheme, the Resulting Company shall record all the assets and liabilities pertaining to the Demerged Undertaking transferred to and vested in it pursuant of this Scheme, at their respective book values ignoring revaluation, if any, as appearing in the books of account of the Demerged Company as on the Appointed Date.
- 3.2.2 The Resulting Company shall credit to their Equity Share Capital account, the aggregate face value of the New Shares issued by them pursuant to Clause 1.1 of Part C of this Scheme.
- 3.2.3 The difference being the excess of net value of assets and liabilities as recorded under 3.2.1 above of the Demerged Undertaking over the New Shares issued by the Resulting Company on demerger shall be credited to General Reserve Account.
- 3.2.4 The inter-company transactions, deposits / loans and advances outstanding between the Demerged Company and Resulting Company to the extent it relates to the Demerged Undertaking, if any, shall stand cancelled and there shall be no further obligation outstanding in this behalf.
- 3.2.5 In case of any difference in the accounting policies between the Demerged Company and the Resulting Company, the impact of the same till the Appointed Date of scheme will be quantified and adjusted in the free / general reserve of the Resulting Company to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policies.

## **PART D**

### **1. LISTING REGULATIONS AND SEBI COMPLIANCES**

- 1.1 The Demerged Company being a listed company, this Scheme is subject to the Compliances by the Demerged Company of all the requirements under the listing regulations and all statutory directives of the Securities Exchange Board of India ('SEBI') insofar as they relate to sanction and implementation of the Scheme.
- 1.2 The Demerged Company in compliance with the listing Regulations shall apply for the 'Observation Letter' of NSE Limited/ BSE Limited, where its shares are listed in terms of the Regulation 37 of the listing regulations.
- 1.3 The Demerged Company shall also comply with the directives of SEBI contained in the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10th, 2017 ('Circular') issued by SEBI in terms of Regulation 37 of the listing regulations.
- 1.4 As Para 9 of SEBI Circular, No. CFD/DIL3/CIR/2017/21 dated March 10th, 2017 ('Circular') the Demerged Company will provide voting by the public shareholders through e-voting and will disclose all material facts in the explanatory statement, to be sent to the shareholders for approval of this scheme.

## **PART E**

### **1 SAVING OF CONCLUDED TRANSACTIONS**

Transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking and continuance of the proceedings by or against the Resulting Company, shall not in any manner affect any transaction or proceedings already completed by the Demerged Company (in respect of the Demerged Undertaking) on or before the Appointed Date to the end and intent that the Resulting Company accepts all such acts, deeds and things done and executed by and/or on behalf of the Demerged Company, as acts, deeds and things done and executed by and on behalf of the Resulting Company.

### **2 APPLICATION TO THE TRIBUNAL**

2.1 The Demerged Company and Resulting Company shall, make applications to the Hon'ble NCLT under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 seeking orders for dispensing with or convening, holding and conducting of the meetings of the classes of their respective members and/or creditors and for sanctioning this Scheme, with such modifications as may be approved by the NCLT.

2.2 Upon this Scheme being approved by the requisite majority of the respective members and creditors of the Demerged Company and Resulting Company (as may be directed by the Hon'ble NCLT), Demerged Company and Resulting Company shall, apply to the Hon'ble NCLT, for sanction of this Scheme under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and for such other order or orders, as the said Hon'ble NCLT may deem fit for carrying this Scheme into effect.

2.3 On approval of this Scheme by the members and creditors of the Demerged Company and Resulting Company, pursuant to Sections 230 to 232 of the Companies Act, 2013, it shall be deemed that all consents required from the shareholders and/or creditors, as the case may be, of the said companies under the provisions of the Act as may be applicable, have been accorded to.

2.4 Upon this Scheme becoming effective, the respective shareholders of the Demerged Company and Resulting Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme.

### **3 MODIFICATION OR AMENDMENTS TO THE SCHEME**

3.1 The Demerged Company and the Resulting Company (acting through their respective Boards of Directors or Committees thereof) may assent to any modifications or

amendments to this Scheme, which the Hon'ble NCLT and/or any other authorities/Stock Exchanges may deem fit to direct or impose or which may otherwise be considered necessary or desirable or for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. The Demerged Company and the Resulting Company (acting through their respective Boards of Directors or Committees thereof) be and are hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of the order of the Hon'ble NCLT or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

#### **4 EFFECT OF NON-RECEIPT OF APPROVALS**

4.1. In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/ or the Scheme not being sanctioned by the NCLT or such other competent authority and / or the Order not being passed as aforesaid before March 31, 2018 or within such further period or periods as may be agreed upon between the Demerged Company and the Resulting by their Board of Directors (and which the Board of Directors of the Demerged Company and the Resulting agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

#### **5 SCHEME CONDITIONAL UPON:**

This scheme is conditional upon:

5.1 The Scheme being agreed to by the respective requisite majorities of the members and/or creditors of the Demerged Company and Resulting Company, if required, in accordance with Section 230-232 of the Companies Act, 2013 and the requisite orders of the NCLT sanctioning this Scheme in exercise of the powers vested in it under the Act.

5.2 As Para 9 of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10th, 2017 ('Circular') the Demerged Company will provide voting by the public shareholders through e-voting and will disclose all material facts in the explanatory statement, to be sent to the shareholders for approval of this scheme.

- 5.3 All necessary certified copies of the order of the NCLT sanctioning this Scheme being filed with the Registrar of Companies.
- 5.4 The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.
- 5.5 In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person.
- 5.6 If any part of this Scheme is invalid, ruled illegal by any NCLT, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected there by, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme as will best preserve for the parties the benefits and obligations of this Scheme, including but not limited to such part.

## **6 COSTS, CHARGES AND EXPENSES**

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed), incurred in carrying out and implementing this Scheme and matters incidentals thereto, shall be borne by the Resulting Company.

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**SCHEDULE A****SCHEDULE OF ASSETS AND LIABILITIES OF HIGH VOLUME 'RECYCLED COMPOUNDS AND TRADING DIVISION' (DEMERGED UNDERTAKING) AS ON 01.04.2017****PART I****SHORT DESCRIPTION OF THE FREE HOLD PROPERTY OF THE DEMERGED UNDERTAKING**

S. N.	Particulars	Amount (In Rs.)
1	Land at Khasar No. 41/4 , Sultanpur Dabas ,Delhi	23,47,625.00
2	Land at Village Madanpur Dabas Kh No. 28/15	16,45,653.00
3	Plot (Sector-2),Chaitanya Vihar,Vrindavan Mathura, UP	1,32,70,612.00
4	34/1 Vikas House ,East Punjabi Bagh Delhi	11,00,000.00
5	102/ATN , A-9 Narela Delhi	45,00,000.00
6	308/ATN A-9 Narela, Delhi	5,00,000.00
7	Ganpati Dham Bahadur Garh – Haryana	2,30,000.00
8	Land & Building – Village Rohad Bahadur Garh Jaffar –Haryana	2,63,55,000.00
9	Land & Buildinb-Industrial Plot Khewat 351 Bahadur Garh Jaffar-Haryana	76,12,500.00

**PART-II****SHORT DESCRIPTION OF THE LEASEHOLD PROPERTY OF THE DEMERGED UNDERTAKING**

S. N.	Particulars	Amount (In Rs.) (WDV)
1	Land & Building Distt. Sambha-J & K	58,78,753.00
2	Land & Building, Distt Sambha-J & K	14,90,269.00

**PART III****SHORT DESCRIPTION OF THE PLANT & MACHINERY AND OTHER FIXED ASSETS OF THE DEMERGED UNDERTAKING**

S. N.	Particulars	Amount (In Rs.) (WDV)
	<b>Fixed Assets ( Recycle compound)</b>	
1.	500L - SILO Heater	1,467
2.	Air Compressor	1,97,229
3.	Bag Closer Machine	4,765
4.	Falling film Absorber	4,93,755
5.	High power rare earlyh	14,828
6.	Hardner Ytestor	38,732
7.	Heating Element	1,90,032
8.	Electrical Equipment	6,72,934
9.	Kheader machine	7,24,224
10.	Plant & Machinery (asscessary)	20,12,735
11.	Plasric Mixer	3,52,006
12.	Rolling Machine & Grinding Machine	9,05,281
13.	Single Scrw Extruder	3,61,380
14.	Slach Hydrates Dispensor Kneader	3,51,325
15.	Second Hand Use Machinery	8,02,820
16.	Free Screw Twin Screwer	1,63,601
17.	Capacitor Panel (375 KVR)	1,26,544



18.	Dehumifier Air Dryer with Crystallizer	8,87,495
19.	Din Abrasion Tester	7,263
20.	Electric Transformer	6,06,438
21.	Electronic Weighing Scale	51,648
22.	Genretor 320 KVA	6,92,523
23.	High Speed Heating Cooling Mixture	69,293
24.	Hooper Magnat	25,150
25.	MAGNETICS EQUIPMENT	5,27,251
26.	Pelletizing Line with Accessories	5,13,381
27.	Pet Bottle Wash Line Plant	17,76,671
28.	PVC PIPE EXTRUDER M/C	1,49,368

#### **PART IV**

##### **DETAILS OF CURRENT ASSETS, LOANS & ADVANCES, INVESTMENTS AND OTHER FIXED ASSETS**

<b>S. N.</b>	<b>Particulars</b>	<b>Amount (In Rs.)</b>
1.	Other current Assets	58,93,60,718
2.	Loans & Advance ( Property)	2,69,13,144
3.	Computer & Printer	57,722
4.	TOSHIBA INVERTER	18,208
5.	12KVA III Phase Stabilizer	4,347
6.	Air Conditions	53,266
7.	Refrigerator	3,508
8.	Car - Freelander 2 TD 4 2.2L Diesel Automatic SE	10,74,415

#### **PART VI**

##### **DETAILS OF NON-CURRENT LIABILITIES**

<b>S. N.</b>	<b>Particulars</b>	<b>Amount (In Rs.)</b>
1.	Bank Limits	17,50,00,000
2.	LC Limit	4,81,76,336

#### **PART VII**

##### **DETAILS OF CURRENT LIABILITIES**

<b>S. N.</b>	<b>Particulars</b>	<b>Amount (In Rs.)</b>
1.	Creditors	16,87,27,224
2.	Advances Recd. against Property	57,91,999
3.	Advances from Suppliers	17,50,100

**VALUATION ANALYSIS**  
**&**  
**SHARE ENTITLEMENT REPORT**

For

Scheme of Arrangement for Demerger

Between

VIKAS ECOTECH LIMITED (Demerged Company)

And

VIKAS MULTICORP LIMITED (Resulting Company)

PREPARED BY:-

M/s SANJEEV JAGDISH CHAND & ASSOCIATES

CHARTERED ACCOUNTANTS

Address: 17A, Highway Appartments,

Ghazipur, New Delhi-110096

Email: [office@casgr.com](mailto:office@casgr.com)





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## SECTION I – APPOINTMENT FOR DETERMINATION OF SHARE ENTITLEMENT RATIO

This Valuation analysis and Share Entitlement Report has been prepared by M/s SANJEEV JAGDISH CHAND & ASSOCIATES to provide valuation of 'Recycled Compounds and Trading Division' (Demerged Undertaking) of the Vikas Ecotech Limited (Demerged Company) and Vikas Multicorp Limited (Resulting Company) in order to determine the share entitlement ratio of equity shares of VIKAS MULTICORP LIMITED (Resulting Company) viz-a-viz the equity shares of VIKAS ECOTECH LIMITED (Demerged Company). The Appointed Date for this demerger from VEL into VML has been kept as 1st April, 2017.

### BRIEF OF THE COMPANIES INVOLVED UNDER THIS ARRANGEMENT

1. "Vikas Ecotech Limited" or 'VEL' or 'Demerged Company' bearing CIN L65999DL1984PLC019465 is a widely held listed company, originally incorporated as Vikas Leasing Limited on 30th November, 1984 in accordance with the provisions of the Companies Act, 1956. Subsequently, the name of the company changed to Vikas Profin Limited and Registrar of Companies National Capital Territory of Delhi and Haryana has issued fresh certificate of incorporation on 7<sup>th</sup> January 2002. Thereafter again, the name of the Company changed to Vikas Globalone Limited and Registrar of Companies National Capital Territory of Delhi and Haryana have issued a fresh certificate of incorporation on 31<sup>st</sup> December, 2008. The Company again changed its name to existing name i.e. Vikas Ecotech Limited and a fresh certificate of incorporation has been issued by Registrar of Companies National Capital Territory of Delhi and Haryana on 21<sup>st</sup> October, 2015. The registered office of the Demerged Company is situated at 34/1 Vikas Apartments, East Punjabi Bagh, Delhi 110 026, Delhi, India.

The Company is a widely held listed company having its equity shares listed at 'BSE Limited' (BSE) and National Stock Exchange of India Limited (NSE).

Vikas Ecotech is an emerging player in the global arena engaged in the business of high-end specialty chemicals. It's an integrated, multi-specialty product solutions company, producing a wide variety of superior quality, eco-friendly additives and rubber-plastic compounds. Its additives and rubber-plastic compounds are process-critical and value-enabling ingredients used to manufacture a varied cross-section of high-performance, environment-friendly and safety-critical products. From agriculture to automotive, cables to electricals, hygiene to healthcare, polymers to packaging, textiles to footwear, the company's products serve a diverse range of global industry needs. Company has its manufacturing plants in the state of





Jammu and Kashmir, Delhi and Rajasthan. Also, the company has announced construction of a new State-of-the-art Plant & Innovation Center at Dahej in Gujarat to cater to Export and Western Indian markets.

Company's core business verticals have been summarized in the below table:

<input type="checkbox"/> <i>High Value Group (Speciality Chemicals)</i>	<input type="checkbox"/> <i>High Volume Group (Trading and Recycled Compounds)</i>
<input type="checkbox"/> Branded as "Differentiated and focused"	<input type="checkbox"/> Branded as "low cost leader"
<input type="checkbox"/> Focus on high value customers	<input type="checkbox"/> Focus on high volume customers
<input type="checkbox"/> Research and support based sales model	<input type="checkbox"/> Distribution and price focused sales model
<input type="checkbox"/> High level of profitability drives this segment	<input type="checkbox"/> Faster working capital cycle and better controls on receivables drives this segment
<input type="checkbox"/> Sales staff with Higher degree of involvement and technical knowhow	<input type="checkbox"/> Sales staff efficient in distribution

2. **Vikas Multicorp Limited or 'VML' or 'Resulting Company'** bearing CIN U25111DL1995PLC073719 is an unlisted company originally incorporated as Akshatha Management Consultant Private Limited on 9th November, 1995 in accordance with the provisions of the Companies Act, 1956. Subsequently the name of the company has been changed to Akshatha Services Private Limited and Registrar of Companies National Capital Territory of Delhi and Haryana has issued a fresh certificate of incorporation on 29<sup>th</sup> May, 2001. Thereafter again, the name of the Company changed to MoonliteTechnochem Private Limited and Registrar of Companies National Capital Territory of Delhi and Haryana have issued a fresh certificate of incorporation on 29<sup>th</sup> December, 2008. The Company subsequently converted into public limited company and upon conversion of private into public the name of the company changed its name to MoonliteTechnochem Limited and a fresh certificate of incorporation had been issued by Registrar of Companies National Capital Territory of Delhi and Haryana on 1<sup>st</sup> November, 2016. The Company again change its name to existing name i.e. Vikas Multicorp Limited and a fresh certificate of incorporation has been issued by Registrar of Companies National Capital Territory of Delhi and Haryana on 24<sup>th</sup> January, 2017. The registered office of the Resulting Company is situated at G-1, 34/1, East Punjabi Bagh, Delhi, India-110026.

The Company is engaged in the business of trading of various Chemicals Compounds, Polymers, PVC Resins, Plastic granules, items related to Plastic industry etc.





### 3. OBJECTS AND RATIONALE OF THE SCHEME:-

- Vikas Ecotech Limited ('VEL' or 'Demerged Company') has two core business verticals viz. High value specialty chemicals business (Remaining Business) and another is the high volume 'Recycled Compounds and Trading Division' (Demerged Undertaking). Both the verticals have their own strengths and dynamics but the nature of businesses of the two verticals are unconnected and distinct. It is being felt that each of the business vertical has the potential of being developed into a parallel, scalable and independently profitable business but, requires focused management and long term business plan. Thus, the management was contemplating the segregation of the two verticals.
- Vikas Multicorp Limited ('VML' or 'Resulting Company') is a group company and a part of the promoter group of Vikas Ecotech Limited (VEL or Demerged Company). The business of Resulting Company is similar to the business of the Demerged Undertaking. Hence in order to unlock the true value of each of the business verticals and achieve prosperity in segment the management of the both the companies have decided to Demerge the 'Recycled and Trading Compounds Division' from VEL into VML. This would enable the VML and VEL both to gain economies of scale and unify all shareholder interests and eliminate any conflict of interests. Both the businesses would have separate and different sets of management, staff and facilities – each of which would be designed in alignment with its own business needs.
- The dynamic and diversified nature of the industry in which the Company operates and external factors including performance of financial markets, exchange or interest rate fluctuations, business environment and government policies etc. have varied effects on the growth prospects of different verticals of the Company. Thus, the Demerged Company would be able to revise its business plans and priorities from time to time thereby, ensuring speedy and profitable growth of the Company and enhance shareholder's wealth.
- Further, economic environments, capital market dynamics, the investors' community for the two divisions i.e. the high value 'Specialty chemicals' and high volume 'Recycled Compounds and Trading Division' are different. Thus, to ensure better focus of management for the growth of both the divisions, to create independent legal entities for each division, to enable each of the businesses to achieve One thousand crores topline in their own sphere of operations the Board of Directors of both Companies are of the opinion that Scheme of Arrangement/ Demerger of 'Recycled Compounds and Trading Division' from Demerged Company into Vikas Multicorp Limited (Resulting Company) would be beneficial to the shareholders, creditors, employees and all the stakeholders at large.





- The proposed reconstruction will add better value to the businesses and create fresh opportunities as under :
  - Resulting Company will be able to focus on high volume 'Recycled Compounds and Trading Division' (Demerged Undertaking);
  - Demerged company will be able to focus on high value Specialty chemicals (Remaining Business) and other residuary business;

Further, the listing of the equity shares of Resulting Company on the stock exchanges on which shares of the Demerged Company are listed would help the shareholders of Demerged Company to unlock the value of their shares.

#### **4. SCOPE OF SERVICES:-**

As a part of the advisory services, Management of the "VML" and "VEL" has appointed M/s **SANJEEV JAGDISH CHAND & ASSOCIATES, Chartered Accountants** to undertake the valuation of the 'Recycled Compounds and Trading Division' (Demerged Undertaking) of the Vikas Ecotech Limited (Demerged Company) and Vikas Multicorp Limited (Resulting Company) companies involved in the scheme of arrangement as on May 29<sup>th</sup> 2017. The scope of our work for the same is as under:

- Conduct a valuation of the 'Recycled Compounds and Trading Division' (Demerged Undertaking) of the Vikas Ecotech Limited (Demerged Company) and Vikas Multicorp Limited (Resulting Company) and recommendation of Share Entitlement Ratio pursuant to a Scheme of Arrangement.

#### **5. SCOPE & LIMITATIONS:-**

**The Valuation exercise was carried out under the following limitations:**

- To arrive at share entitlement ratio under the said Scheme of Arrangement; We have relied upon Management certified Balance Sheet and profit and Loss Statement of Vikas Ecotech Limited & Vikas Multicorp Limited for the period ended as on 31<sup>st</sup> March 2017;
- Management certified division wise balance sheet of Vikas Ecotech Limited (Demerged Company) as on 31<sup>st</sup> March, 2017;
- Management representation letter regarding changes in capital structure of the Vikas Multicorp Limited after 31<sup>st</sup> March, 2017;
- The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. There may be matters,





other than those noted herein, which might be relevant in the context of the transaction and which a wider scope might uncover.

- Draft Scheme of Arrangement as provided by the management.





## SECTION – II Companies Assessment

1. "Vikas Ecotech Limited" or 'VEL' or 'Demerged Company' bearing CIN L65999DL1984PLC019465 is a widely held listed company, originally incorporated as Vikas Leasing Limited on 30th November, 1984 in accordance with the provisions of the Companies Act, 1956. Subsequently, the name of the company changed to Vikas Profin Limited and Registrar of Companies National Capital Territory of Delhi and Haryana has issued fresh certificate of incorporation on 7<sup>th</sup> January 2002. Thereafter again, the name of the Company changed to Vikas Globalone Limited and Registrar of Companies National Capital Territory of Delhi and Haryana have issued a fresh certificate of incorporation on 31<sup>st</sup> December, 2008. The Company again change its name to existing name i.e. Vikas Ecotech Limited and a fresh certificate of incorporation has been issued by Registrar of Companies National Capital Territory of Delhi and Haryana on 21<sup>st</sup> October, 2015. The registered office of the Demerged Company is situated at 34/1 Vikas Apartments, East Punjabi Bagh, Delhi 110 026, India.

The Company is a widely held listed company having its equity shares listed at 'BSE Limited' (BSE) and National Stock Exchange of India Limited (NSE).

### Extract of Management Certified Balance Sheet of Vikas Ecotech Limited as on 31.03.2017

Particulars	Amount in INR
	As on 31.03.2017
<b>SOURCES OF FUNDS</b>	
Share Capital	279,899,675
Reserve and surplus	1,033,538,624
Non-Current Liabilities	82,996,799
Current Liabilities	1,657,426,086
<b>Total – Equity and Liabilities</b>	<b>3,053,860,823</b>
<b>ASSETS</b>	
Non-Current Assets	300,461,465
Current Assets	2,753,399,358
<b>Total - Assets</b>	<b>3,053,860,823.00</b>





**Extract of Management Certified Profit & Loss Statement of Vikas Ecotech Limited for the 12 months period ended on 31<sup>st</sup> March 2017**

Particulars	(Amount in INR)
	For the 12 months period ended on 31 <sup>st</sup> March 2017
Revenue From operations	3,713,601,413
Other Income	16,692,842
<b>Total Income</b>	<b>3,730,294,255</b>
<b>Total Expenses</b>	<b>3,210,471,492</b>
<b>Profit Before Tax</b>	<b>356,620,345</b>
Tax expense	145,000,000
Deferred tax benefit	(20,082,417)
<b>Profit for the period after Tax</b>	<b>231,702,762</b>

**Extract of Management Certified Assets and Liabilities Statement of 'Recycled Compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited as on 31.03.2017.**

Particulars	Amount in INR
	As on 31.03.2017
Non-Current Liabilities	223,176,336
Current Liabilities	176,269,323
<b>Total -Liabilities</b>	<b>399,445,659</b>
Non-Current Assets	78,868,672
Current Assets, Loans & Advances	616,267,209
<b>Total - Assets</b>	<b>695,135,881</b>
<b>Net Assets</b>	<b>295,690,222</b>

2. **Vikas Multicorp Limited** or 'VML' or 'Resulting Company' bearing CIN U25111DL1995PLC073719 is an unlisted company originally incorporated as Akshatha Management Consultant Private Limited on 9th November, 1995 in accordance with the provisions of the Companies Act, 1956. Subsequently the name of the company has been changed to Akshatha Services Private Limited and Registrar of Companies National Capital Territory of Delhi and Haryana has issued a fresh certificate of incorporation on 29th May, 2001. Thereafter again, the name of the Company changed to MoonliteTechnochem Private Limited and Registrar of Companies National Capital Territory of Delhi and Haryana have





issued a fresh certificate of incorporation on 29th December, 2008. The Company subsequently converted into public limited company and upon conversion of private into public the name of the company changed its name to MoonliteTechnochem Limited and a fresh certificate of incorporation have been issued by Registrar of Companies National Capital Territory of Delhi and Haryana on 1st November, 2016. The Company again change its name to existing name i.e. Vikas Multicorp Limited and a fresh certificate of incorporation has been issued by Registrar of Companies National Capital Territory of Delhi and Haryana on 24th January, 2017. The registered office of the Resulting Company is situated at G-1, 34/1, East Punjabi Bagh, New Delhi – 110 026, India.

The Company is engaged in the business of trading of various Chemicals Compounds, Polymers, PVC Resins, Plastic granules, items related to Plastic industry etc.

**Extract of Management Certified Balance Sheet of Vikas Multicorp Limited as on 31.03.2017.**

Particulars	(Amount in INR)
	As on 31.03.2017
<b>SOURCES OF FUNDS</b>	
Share Capital	30,34,01,400
Reserve and surplus	230,518,198
Non-Current Liabilities	1,227,476
Current Liabilities	257,582,416
<b>Total – Equity and Liabilities</b>	<b>792,729,490</b>
<b>ASSETS</b>	
Non-Current Assets	482,937,044.00
Current Assets	309,792,446.00
<b>Total - Assets</b>	<b>792,729,490</b>

**Extract of Management Certified Profit & Loss Statement of Vikas Multicorp Limited for the 12 months period ended on 31<sup>st</sup> March 2017.**

Particulars	(Amount in INR)
	For the 12 months period ended on 31st March 2017
Revenue From operations	1,005,425,122
Other Income	23,085,871





<b>Total Income</b>	<b>1,028,510,993</b>
<b>Total Expenses</b>	<b>1,019,998,292</b>
<b>Profit Before Tax</b>	<b>8,512,701</b>
<b>Exceptional item &amp; Prior Period Items</b>	<b>8,000</b>
Tax expense	1,649,848
<b>Profit for the period after tax</b>	<b>6,854,853</b>

The Capital Structure of the Resulting Company as on 31st March, 2017 are as follow:

Particulars	Amount (Rs.)
<b>Authorized Capital:</b>	
3,10,00,000 Equity Shares of Rs.10/- each	
	31,00,00,000
<b>Total</b>	<b>31,00,00,000</b>
<b>Issued, Subscribed and Paid up Capital:</b>	
3,03,40,140 Equity Shares of Rs.10/- each	
	30,34,01,400
<b>Total</b>	<b>30,34,01,400</b>

The Company has subdivided its 1 (One) equity share of Rs. 10/- (Rupees Ten) each into 10 (Ten) equity shares of Re 1/- (Rupee One) each on 15<sup>th</sup> May, 2017. Further on 19<sup>th</sup> May 2017, the company has capitalized its reserves amounting to Rs. 12,13,60,560/- (Twelve Crores, Thirteen lacs, Sixty Thousand, Five hundred Sixty) subsequently issuing bonus shares in the ratio of 4:10. Accordingly 12,13,60,560 (Twelve Crores, Thirteen lacs, Sixty Thousand, Five hundred Sixty) equity shares of face value of Re 1/- (Rupees One) each have been issued to its existing shareholders. Consequently, The Capital Structure of the Resulting Company as on 25th May, 2017 is as follows:





Particulars	Amount (Rs.)
<b>Authorized Capital:</b>	
43,00,00,000 Equity Shares of Re. 1/- each	43,00,00,000
<b>Total</b>	<b>43,00,00,000</b>
<b>Issued, Subscribed and Paid up Capital:</b>	
42,47,61,960 Equity Shares of Re1/- each	42,47,61,960
<b>Total</b>	<b>42,47,61,960</b>

There is no change in the Capital Structure of Vikas Multicorp Limited (Resulting Company) after 25<sup>th</sup> May, 2017.





### SECTION III - METHODS OF VALUATION ADOPTED

In case of a merger valuation, the emphasis is on arriving at the "relative" values of the shares of the merging companies to facilitate determination of the "share exchange ratio". Hence, the purpose is not to arrive at absolute values of the shares of the companies.

#### Judicial Pronouncements:-

#### **Hindustan lever Employees' Union v/s Hindustan lever Limited and others (1995) 83 Company cases 30 (SC)**

The jurisdiction of the Court in sanctioning a claim of merger is not to ascertain mathematical accuracy if the determination satisfied the arithmetical test. A company court does not exercise an appellate jurisdiction. It exercises a jurisdiction founded on fairness. It is not required to interfere only because the figure arrived at by the valuer was not as good as it would have been if another method had been adopted. What is imperative is that such determination should not have been contrary to law and that it was not unfair for the shareholders of the company which was being merged.

The Hon'ble Supreme Court held "We do not think that the internal management, business activity or institutional operation of public bodies can be subjected to inspection by the court. To do so, is incompetent and improper and, therefore, out of bounds."

The **dominance of profits for valuation of share was emphasised in "McCathies case"** (Taxation, 69 CLR 1) where it was said that *"the real value of shares in a company will depend more on the profits which the company has been making and should be capable of making, having regard to the nature of its business, than upon the amount which the shares would realize on liquidation"*. This was also reiterated by the Indian Courts in **Commissioner of Wealth Tax v. Mahadeo Jalan's case (S.C.)** (86 ITR 621) and **Additional Commissioner of Gift Tax v. Kusumben D. Mahadevia (S.C.)** (122 ITR 38).

In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. Present and prospective competition, yield on comparable securities, and market sentiments etc. which are not evident from the face of the balance sheets but which will strongly influence the worth





of a share. Based on the facts of the case, we have valued both the Companies as per Net Asset Value (NAV) & Comparable Companies Multiple (CCM) Method.

## **SECTION – IV Valuation Analysis**

### **ADJUSTED BOOK VALUE METHOD:-**

Book Value Method (BV) views the business as a set of assets and liabilities that are used as building blocks to construct the base value of the company. This method is generally used to evaluate the entry barrier that exists in a business as well as this method is suited for companies having common management and shareholders as in case of group consolidation no assets or liabilities are moving outside the group.

Adjusted Book Value Methodology is distinguished from Book Value Methodology as it involves a determination of fair market value of assets and liabilities on basis of going concern.

### **COMPARABLE COMPANIES METHOD APPROACH**

Comparable Company Market Multiple uses the valuation ratio of a publicly traded company and applies that ratio to the company being valued. The valuation ratio typically expresses the valuation as a function of a measure of financial performance or Book Value (e.g. Revenue, EBITDA, EBIT, Earnings per Share or Book Value). A key benefit of Comparable Company Market Multiple analysis is that the methodology is based on the current market stock price. The current stock price is generally viewed as one of the best valuation metrics because markets are considered somewhat efficient.

#### **1. M/S VIKAS MULTI CORP LIMITED**

The Company M/s Vikas Multi Corp Limited is engaged in the business of trading of various Chemicals Compounds, Polymers, PVC Resins, Plastic granules, items related to Plastic industry etc. After looking into the business model, we have carried the Valuation as per Adjusted Book Value Method and Comparable Companies Method.

<b>Valuation based on Adjusted Book Value Methodology - Vikas Multicorp Ltd.</b>	
<b>As on 31.03.2017</b>	
<b>Particulars</b>	<b>All Amount in INR Crores</b>
Share Capital	42.48
Reserves & Surplus	10.92



Add: Appreciation in value of Investment made in Vikas EcoTech Limited#	37.04
<b>Net Asset Value</b>	<b>90.43</b>
No. of Equity Shares	424,761,960
<b>Value per Equity Share</b>	<b>2.13</b>

*#Fair Market Value of VEL has been computed based upon higher of 26 weeks and 2 weeks VWAP till 31<sup>st</sup> March, 2017*

Valuation based upon Comparable Companies Multiple Methodology - - Vikas Multicorp Ltd.	
Valuation based on EV/EBITDA All Amount INR Crores	
EBITDA for the period ending 31.03.2017	2.82
Adjusted EV/EBITDA Multiple as on the date of Valuation	8.26
<b>Enterprise Value of the Company</b>	<b>23.27</b>
Less:Debt as on 31.03.2017	17.45
Add: Cash & Cash Equivalents as on 31.03.2017	1.44
Add: Fair Value of Investment made in Vikas EcoTech Limited#	71.37
<b>Equity Value</b>	<b>78.63</b>
No. of Equity Shares	424,761,960
<b>Value per Equity Share</b>	<b>1.85</b>

*#Fair Market Value of VEL has been computed based upon higher of 26 weeks and 2 weeks VWAP till 31<sup>st</sup> March, 2017*

**Computation of Fair Value of Equity Shares of Vikas Multicorp Limited**

Computation of Fair Value of Equity Shares of Vikas Multicorp Limited			
All Amounts INR Crores			
Methodology Applied	Weight	Equity Value	Weighted Average Equity Value
NAV	1	90.43	90.43
CCM	1	78.63	78.63
<b>Weighted Average Equity Value</b>			<b>84.53</b>
<b>No. of Equity Shares</b>			<b>424,761,960</b>
<b>Value per Equity share (INR)</b>			<b>1.99</b>





## 2. M/S VIKAS ECOTECH LIMITED

The Company M/s Vikas Ecotech Limited is having two business undertaking viz. the High specialty chemical business (Remaining Business) and another is the High volume 'Recycled Compounds and Trading Division'(Demerged Undertaking).

Demerged Undertaking is engaged producing a wide variety of superior quality, eco-friendly additives and rubber-plastic compounds. After looking into the business model of Demerged Undertaking, we have carried the Valuation as per Book Value Method and Comparable Companies Method.

This Demerged Undertaking is engaged in Trading and Manufacturing activities. Trading business is similar to the business of Vikas Multicorp Limited. After considering the economical and industrial factors we have given appropriate EV/EBITDA multiple to Manufacturing and Trading business.

Valuation based on Book Value Methodology - Vikas Ecotech Limited –Demerged Undertaking	
As on 31.03.2017	
Particulars	All Amount in INR Crores
Book Value of Assets	69.51
Book Value of Liabilities	39.94
Shareholders Fund / Net worth	29.57

Valuation based on EV/EBITDA-Demerged Undertaking		
All Amount INR Crores		
Particulars	Trading	Manufacturing
EBITDA	0.64	6.48
Adjusted EV/EBITDA Multiple as on the date of Valuation	8.26	10.15
Enterprise Value of Division	5.30	65.74
Enterprise Value of Business Undertaking	71.04	
Less: Debt as on 31.03.2017	22.32	
Add: Cash & Cash Equivalent as on 31.03.2017	5.00	
Add: Surplus investment	2.69	
Equity Value	56.42	

Fair Value of Equity Shares of Vikas Ecotech Limited-Demerged Undertaking	
All Amount INR Crores	





Methodology Applied	Weight	Equity Value	Weighted Average Equity Value
NAV	1	29.57	29.57
CCM	1	56.42	56.42
Weighted Average Equity Value			42.99

### **SECTION V – SHARE ENTITLEMENT RATIO**

#### **SHARE ENTITLEMENT RATIO FOR DEMERGER:-**

Share Entitlement Ratio is defined as the number of equity shares of the Resulting Company to which shareholders of the Demerged Company would be entitled to in proportion to their existing shareholdings, upon demerger of 'Recycled Compounds and Trading Division' (Demerged Undertaking) division.

On the basis of above analysis the share entitlement ratio has been arrived at and accordingly the Resulting Company shall, without any further act or deed and without any further payment, issue and allot equity shares on a proportionate basis to each member of the Demerged Company whose name is recorded in the Register of Members/ List of Beneficial Owners for shares in dematerialized form of the Demerged Company on the Record Date to be fixed by the Demerged Company.

Valuation Approach	Vikas Multicorp Limited		Vikas EcoTech Limited - Demerged Undertaking	
	Equity Value	Weight	Equity Value	Weight
Asset Approach	90.43	1	29.57	1
Market Approach	78.63	1	56.42	1
Relative Equity Value	<b>84.53</b>		42.99	
Less: Value of investment made by VML into VEL	-		6.32	
Adjusted Relative Equity Value	<b>84.53</b>		36.67	
No. of Equity Shares	424,761,960		-	
Value per Equity Share	1.99		-	
<b>Shares to be issued pursuant to Demerger of undertaking into VML</b>			<b>184,264,921</b>	
<b>Recommended shares to be issued pursuant to demerger of an undertaking into VML*</b>			<b>238,733,535</b>	





*It is represented to us by the management that under SEBI Regulation (SCRA), the promoter holding in a listed co. cannot exceed 75%. Accordingly to meet the necessity of this regulation 238,733,535 no. of shares may be issued.*

*\*These no. of shares are equivalent to the swap ratio of 1 (One) Equity Shares of Re. 1 (Rupee One) each at par in Resulting Company for every 1 (One) Equity Shares of Re. 1 (Rupee One) held in Demerged Company.*

*\*\*The above recommended shares to be issued is reasonable after considering the fact that the public shareholders of Listed Company holds majority stake in comparison to the shares held by Promoters and Promoters Group. Thus issuing shares in consideration more than the shares as determined for share entitlement would not be detrimental to the public shareholders.*

For SANJEEV JAGDISH CHAND & ASSOCIATES  
Chartered Accountant

FRN: 022242N



Sanjeev Kumar  
Partner  
M.No. 507365

Place: New Delhi  
Date – 29thMay, 2017

# **FAIRNESS OPINION**

# **VIKAS ECOTECH LIMITED**

**29<sup>th</sup> May, 2017**

**Strictly Private & Confidential**

Corporate Professionals Capital Private Limited

CIN - U74899DL2000PTC104508

D 28, South Extn. Part- I, New Delhi 110049, India | T: +91 11 40622200 | F: +91 11 40622201 | E: mb@indiacp.com

[www.corporateprofessionals.com](http://www.corporateprofessionals.com)



Ref. No: CPC/MB/27A/2017-18

Dated: 29.05.2017

SEBI Reg. No: INM000011435

To,

The Board of Directors

VIKAS ECOTECH LIMITED

AND

VIKAS MULTICORP LIMITED

**Subject: Opinion on Fairness of Valuation / Share Entitlement Report in the proposed Scheme of Arrangement for Demerger of 'Recycled compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited (Resulting Company).**

Dear Sir,

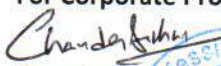
We refer to the request made by the management of **M/s Vikas Ecotech Limited** (hereinafter referred to as "VEL"/ "Demerged Company") for the purpose of arriving at an opinion on the share entitlement report dated 29.05.2017, issued by **M/s SANJEEV JAGDISH CHAND & ASSOCIATES, Chartered Accountants** (here-in-after referred as "Valuer") in respect of the proposed Demerger of 'Recycled compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited (Resulting Company) w.e.f. the appointed date i.e. 1<sup>st</sup> April, 2017 pursuant to a Scheme of Arrangement for Demerger to be sanctioned by the Hon'ble High National Company Law Tribunal (NCLT) of relevant jurisdiction under Section 230 read with Section 232 of the Companies Act, 2013.

In terms of our assigned engagement, we are enclosing our opinion along with this letter. Please note that this is just an opinion on the captioned subject on the basis of the documents submitted to us and does not constitute our independent valuation analysis. All comments as contained herein must be read in conjunction with the caveats to this opinion.

The opinion is confidential and has been prepared exclusively for the management of the "Demerged Company" and "Resulting Company". It should not be used, reproduced or circulated to any other person, in whole or in part, without the prior consent of **Corporate Professionals Capital Private Limited**, such consent will only be given after full consideration of the circumstance at the time. We are however aware that the conclusion in this report may be used for the purpose of certain statutory disclosures and we provide consent for the same. Please feel free to contact us in case you require any additional information or clarifications.

Yours Faithfully

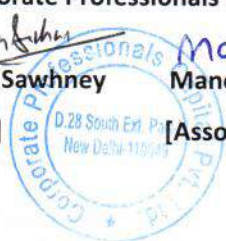
For Corporate Professionals Capital Private Limited

  
Chander Sawhney

  
Maneesh Srivastava

[Partner]

[Associate Vice President]



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**CONTEXT AND BACKGROUND**

1. We understand that **M/s Vikas Ecotech Limited** (Demerged Company) bearing CIN L65999DL1984PLC019465 is a widely held listed company, having its shares listed at BSE Limited (BSE) and NSE Limited (NSE). Now, pursuant to a Scheme of Arrangement to demerge an undertaking i.e. 'Recycled compounds and Trading Division' (Demerged Undertaking) of **M/s Vikas Ecotech Limited (Demerged Company)** is proposed to be Demerged into **Vikas Multicorp Limited (Resulting Company)** pursuant to Section 230 read with Section 232 of the Companies Act, 2013.
2. The Valuation & Share Entitlement for the proposed "Scheme of Arrangement" for demerger has been determined by, **M/S SANJEEV JAGDISH CHAND & ASSOCIATES, Chartered Accountants** vide their Valuation Report dated 29<sup>th</sup> May, 2017.
3. In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "listing regulations") read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular') the Listed Company shall submit the "Fairness Opinion" obtained by a Merchant Banker on the Valuation of assets / shares done by the Valuer for the listed entity and unlisted company.
4. With reference to the above, we, **Corporate Professionals Capital Private Limited, a SEBI Registered Merchant Banker**, have been appointed by the Demerged Company, to provide the "Fairness Opinion" on the same.

**BRIEF ABOUT COMPANIES**

1. **'Vikas Ecotech Limited' or 'VEL' or 'Demerged Company'** bearing CIN L65999DL1984PLC019465 is a widely held listed company, originally incorporated as Vikas Leasing Limited on 30th November, 1984 in accordance with the provisions of the Companies Act, 1956. Subsequently, the name of the company changed to Vikas Profin Limited and Registrar of Companies National Capital Territory of Delhi and Haryana has issued fresh certificate of incorporation on 7<sup>th</sup> January 2002. Thereafter again, the name of the Company changed to Vikas Global one Limited and Registrar of Companies National Capital Territory of Delhi and Haryana have issued a fresh certificate of incorporation on 31<sup>st</sup> December, 2008. The Company again change its name to existing name i.e. Vikas Ecotech Limited and a fresh certificate of incorporation has been issued by Registrar of Companies National Capital Territory of Delhi and Haryana on 21<sup>st</sup> October, 2015. The registered office of the Demerged Company is situated at 34/1 Vikas Apartments east Punjabi Bagh, Delhi 110 026, India.

The Company is a widely held listed company having its equity shares listed at 'BSE Limited' (BSE) and National Stock Exchange of India Limited (NSE).

The Company is engaged in the business of manufacturing of Speciality chemical products used in Agricultural Pipes, Auto Parts, Wires and Cables, Artificial Leather, Footwear, Organic Chemicals, Polymers, Pharmaceuticals and Packaging industries.. Its manufacturing plants are in the state of Jammu and Kashmir and Rajasthan.

2. **Vikas Multicorp Limited or 'VML' or 'Resulting Company'** bearing CIN U25111DL1995PLC073719 is an unlisted company originally incorporated as Akshatha Management Consultant Private Limited on 9th November, 1995 in accordance with the provisions of the Companies Act, 1956. Subsequently the name of the company has been changed to Akshatha Services Private Limited and Registrar of Companies National Capital Territory of Delhi and Haryana has issued a fresh certificate of incorporation on 29<sup>th</sup> May, 2001. Thereafter again, the name of the Company changed to Moonlite Technochem Private Limited and Registrar of Companies National Capital Territory of Delhi and Haryana have issued a fresh certificate of incorporation on 29<sup>th</sup> December, 2008. The Company subsequently converted into public limited company and upon conversion of private into public the name of the company changed to Moonlite Technochem Limited and a fresh certificate of incorporation have been issued by Registrar of Companies National Capital Territory of Delhi and Haryana on 1<sup>st</sup> November, 2016. The Company again change its name to existing name i.e. Vikas Multicorp Limited and a fresh certificate of incorporation has been issued by Registrar of Companies National Capital Territory of Delhi and Haryana on 24<sup>th</sup>



January, 2017. The registered office of the Resulting Company is situated at G-1, 34/1, East Punjabi Bagh, New Delhi 110 026, India.

The Company is engaged in the business of trading of various Chemicals Compounds, Polymers, PVC Resins, Plastic granules, items related to Plastic industry etc.

**KEY FACTS & KEY EXTRACTS OF THE SCHEME**

- Vikas Ecotech Limited ('VEL' or 'Demerged Company') has two core business verticals viz. High Value "Specialty Chemicals Business (Remaining Business) and another is the High Volume 'Recycled Compounds and Trading Division' (Demerged Undertaking). Both the verticals have their own strengths and dynamics but the nature of businesses of the two verticals are unconnected and distinct. It is being felt that each of the business vertical has the potential of being developed into a parallel, scalable and independently profitable business but, requires focused management and long-term business plan. Thus, the management was contemplating the segregation of the two verticals.
- Vikas Multicorp Limited ('VML' or 'Resulting Company') is a group company and a part of the promoter group of Vikas Ecotech Limited (VEL or Demerged Company). The business of Resulting Company is similar to the business of the Demerged Undertaking. Hence in order to unlock the true value of each of the business verticals and achieve prosperity in each segment, the management of both the companies have decided to Demerge the 'Recycled compounds and Trading Division' of VEL and into with VML. This would enable the VML and VEL both to gain economies of scale and unify shareholder interests and eliminate any conflict of interests. Both the businesses would have separate and different sets of management, staff and facilities – each of which would be designed in alignment with its own business needs.
- The dynamic and diversified nature of the industry in which the Company operates and external factors including performance of financial markets, exchange or interest rate fluctuations, business environment and government policies etc. have varied effects on the growth prospects of different verticals of the Company. Thus, the Demerged Company would be able to revise its business plans and priorities from time to time thereby, ensuring speedy and profitable growth of the Company and enhance shareholder's wealth.
- Further, economic environments, capital market dynamics, the investors' community for the two divisions i.e. the high value 'Specialty chemicals' and high volume 'Recycled Compounds and Trading Division' are different. Thus, to ensure better focus of management for the growth of both the divisions, to create independent legal entities for each division, to enable each of the businesses to achieve One thousand crores topline in their own sphere of operations the Board of Directors of both Companies are of the opinion that Scheme of Arrangement/ Demerger of 'Recycled Compounds and Trading Division' from Demerged Company into with Vikas Multicorp Limited (Resulting Company) would be beneficial to the shareholders, creditors, employees and all the stakeholders at large.

- The proposed reconstruction will add better value to the businesses and create fresh opportunities as under :
  - Resulting Company will be able to focus on high volume 'Recycled Compounds and Trading Division' (Demerged Undertaking);
  - Demerged company will be able to focus on high value Specialty chemicals (Remaining Business) and other residuary business;

Further, the listing of the equity shares of Resulting Company on the stock exchanges on which shares of the Demerged Company are listed would help the shareholders of Demerged Company to unlock the value of their shares.



## VALUER ANALYSIS

To determine the share entitlement to the shareholders of "VEL", the Valuer has specifically relied upon the following documents

- a. **Management Certified Balance Sheet & Profit and loss statement for the period on 31st March, 2017 of "VEL".**
- b. **Management Certified Balance Sheet & Profit & Loss statement for the period ending on 31<sup>st</sup> March, 2017 of "VML"**
- c. **Management Certified Division wise Balance sheet of "VEL" as on 31<sup>st</sup> March, 2017.**
- d. **Management Certified changes in capital structure of "VML" as on 25<sup>th</sup> May, 2017.**
- e. **Draft Scheme of Arrangement.**

### VALUER APPROACHES TO VALUATION

#### ADJUSTED BOOK VALUE METHOD:-

Book Value Method (BV) views the business as a set of assets and liabilities that are used as building blocks to construct the base value of the company. This method is generally used to evaluate the entry barrier that exists in a business as well as this method is suited for companies having common management and shareholders as in case of group consolidation no assets or liabilities are moving outside the group.

Adjusted Book Value Methodology is distinguished from Book Value Methodology as it involves a determination of fair market value of assets and liabilities on basis of going concern.

#### COMPARABLE COMPANIES METHOD APPROACH

Comparable Company Market Multiple uses the valuation ratio of a publicly traded company and applies that ratio to the company being valued. The valuation ratio typically expresses the valuation as a function of a measure of financial performance or Book Value (e.g. Revenue, EBITDA, EBIT, Earnings per Share or Book Value). A key benefit of Comparable Company Market Multiple analysis is that the methodology is based on the current market stock price. The current stock price is generally viewed as one of the best valuation metrics because markets are considered somewhat efficient. To arrive at the value of equity shares, the valuer has considered the EBITDA as provided in the management certified financials for the financial year ended on 31<sup>st</sup> March, 2017 and multiplied it with the average EBITDA Multiple of listed peer companies as on 31.03.2017 after considering appropriate discount on account of lack of marketability (DLOM) and size and made adjustments of Cash and Debt.



1. **M/s Vikas Multicorp Limited**, is an unlisted company and controlled by same promoter. The Company is engaged in the business of trading of various Chemicals Compounds, Polymers, PVC Resins, Plastic granules, items related to Plastic industry etc. The business of the company is similar to the business in which Demerged Undertaking is functioning. To arrive at the value of equity shares of the VML, the valuer have applied adjusted NAV Method and Comparable Companies Multiple Methodology based on EV/EBITDA multiple.

Valuation based on Adjusted Book Value Methodology - Vikas Multicorp Ltd.	
As on 31.03.2017	
Particulars	All Amount in INR Crores
Share Capital*	42.48
Reserves & Surplus	10.92
Add: Appreciation in value of Investment made in Vikas EcoTech Limited#	37.04
<b>Net Asset Value</b>	<b>90.43</b>
No. of Equity Shares	424,761,960
<b>Value per Equity Share</b>	<b>2.13</b>

*\*The no of shares and share capital is considered after taking into account post balance sheet event i.e. split of shares and issue of Bonus shares on 15<sup>th</sup> May, 2017 and 19<sup>th</sup> May, 2017 respectively.*

*#Fair Market Value of VEL has been computed based upon higher of 26 weeks and 2 weeks VWAP till 31<sup>st</sup> March, 2017*

Valuation based upon Comparable Companies Multiple Methodology - - Vikas Multicorp Ltd.	
Valuation based on EV/EBITDA	
All Amount INR Crores	
EBITDA for the period ending 31.03.2017	2.82
Adjusted EV/EBITDA Multiple as on the date of Valuation	8.26
<b>Enterprise Value of the Company</b>	<b>23.27</b>
Less: Debt as on 31.03.2017	17.45
Add: Cash & Cash Equivalents as on 31.03.2017	1.44
Add: Fair Value of Investment made in Vikas EcoTech Limited#	71.37
<b>Equity Value</b>	<b>78.63</b>
No. of Equity Shares	424,761,960
<b>Value per Equity Share</b>	<b>1.85</b>

*#Fair Market Value of VEL has been computed based upon higher of 26 weeks and 2 weeks VWAP till 31<sup>st</sup> March, 2017*



**Computation of Fair Value of Equity Shares of Vikas Multicorp Limited**

Computation of Fair Value of Equity Shares of Vikas Multicorp Limited			
All Amounts INR Crores			
Methodology Applied	Weight	Equity Value	Weighted Average Equity Value
NAV	1	90.43	90.43
CCM	1	78.63	78.63
<b>Weighted Average Equity Value</b>			<b>84.53</b>
<b>No. of Equity Shares</b>			<b>424,761,960</b>
<b>Value per Equity share (INR)</b>			<b>1.99</b>

2. **M/s Vikas Ecotech Limited** is a widely held listed company having two business undertaking one is Specialty chemicals (Remaining Business) and another is 'Recycled compounds and Trading Division' (Demerged Undertaking). Both the divisions are running successfully and established themselves in the market. The valuer has represented to us that looking into the business model, they have carried the valuation of the 'Recycled compounds and Trading Division' (Demerged Undertaking) of the Demerged Company as per Adjusted Book Value & Comparable Companies Multiple methodology This Demerged Undertaking is engaged in Trading and Manufacturing activities. Trading business is similar to the business of Vikas Multicorp Limited. After considering the economical and industrial factors we have given appropriate EV/EBITDA multiple to Manufacturing and Trading business.

Valuation based on Book Value Methodology - Vikas Ecotech Limited – Demerged Undertaking	
As on 31.03.2017	
Particulars	All Amount in INR Crores
Book Value of Assets	69.51
Book Value of Liabilities	39.94
<b>Shareholders Fund / Net worth</b>	<b>29.57</b>

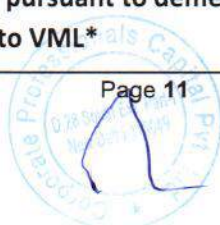


Valuation based on EV/EBITDA-Demerged Undertaking		
All Amount INR Crores		
Particulars	Trading	Manufacturing
EBITDA	0.64	6.48
Adjusted EV/EBITDA Multiple as on the date of Valuation	8.26	10.15
Enterprise Value of Division	5.30	65.74
Enterprise Value of Business Undertaking	71.04	
Less: Debt as on 31.03.2017	22.32	
Add: Cash & Cash Equivalents as on 31.03.2017	5.00	
Add: Surplus investment	2.69	
<b>Equity Value</b>	<b>56.42</b>	

Fair Value of Equity Shares of Vikas Ecotech Limited-Demerged Undertaking			
All Amount INR Crores			
Methodology Applied	Weight	Equity Value	Weighted Average Equity Value
NAV	1	29.57	29.57
CCM	1	56.42	56.42
<b>Weighted Average Equity Value</b>			<b>42.99</b>

**Share Entitlement-**

Valuation Approach	Vikas Multicorp Ltd		Vikas EcoTech Limited	
	Equity Value	Weight	Equity Value	Weight
Asset Approach	90.43	1	29.57	1
Market Approach	78.63	1	56.42	1
Relative Equity Value	<b>84.53</b>		42.99	
Less: Value of investment made by VML into VEL	-		6.32	
Adjusted Relative Equity Value	<b>84.53</b>		36.67	
No. of Equity Shares	424,761,960		-	
Value per Equity Share	1.99		-	
<b>Shares to be issued pursuant to Demerger of undertaking into VML</b>			<b>184,264,921</b>	
<b>Recommended shares to be issued pursuant to demerger of an undertaking into VML*</b>			<b>238,733,535</b>	





*\* The above recommended shares to be issued is reasonable after considering the fact that the public shareholders of Listed Company hold majority stake in comparison to the shares held by Promoters and Promoters Group. Thus, issuing shares in consideration more than the shares as determined for share entitlement would not be detrimental to the public shareholders.*

## CONCLUSION & OPINION

- With reference to above and based on information provided by the management/ "Valuer" of the entities forming part of the Merger and after discussions with the management/"Valuer", we understand that the proposed scheme of Arrangement for Demerger has been structured to consolidate the similar line of business at one place and unlock the value of shares of the Demerged Company. Pursuant to the scheme of arrangement the shares of the Resulting Company will be listed on the same stock exchange on which shares of the Demerged Company are listed.
- We are given to understand that post demerger the entitlement of equity shares to the promoters of "VML" would be maximum permissible shareholding limit i.e. 75% or any other specified percentage as may be permissible under provisions relating to minimum public shareholding prescribed under the Securities Contracts (regulation) Act, 1956 and public shareholding would be 25% in the listed Resulting Company.
- Accordingly, after considering the fact that the public shareholders of Listed Company hold majority stake in comparison to the shares held by Promoters and Promoters Group, recommended shares to be issued pursuant to demerger of undertaking into VML are 238,733,535.
- "Subject to above read with the caveats as detailed later, we as a Merchant Banker hereby certify that pursuant to SEBI Circular no CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular') we have reviewed the Share Entitlement Report of the Valuer **M/s SANJEEV JAGDISH CHAND & ASSOCIATES, Chartered Accountants** for the proposed Demerger of Recycled compounds and Trading Division' (Demerged Undertaking) of the Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited and considered the share entitlement ratio of **1 (One) Equity Shares of Re. 1 (Rupee One) each at par in Resulting Company for every 1 (One) Equity Shares of Re. 1 (Rupee One) held in Demerged Company, as fair and reasonable to the equity shareholders of the company.**



**CAVEATS**

- We wish to emphasize that; we have relied on explanations and information both verbal and written provided by the respective key managements, valuer and other public available information while verifying the valuation carried for determination of shares entitled. Although, we have reviewed such data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided.
- We have not made an appraisal or independent valuation of any of the assets or liabilities of the companies and neither have conducted an audit or due diligence.
- The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. There may be matters, other than those noted in this Report, which might be relevant in the context of the transaction and which a wider scope might uncover.
- We have no present or planned future interest in M/s Vikas Ecotech Limited or M/s Vikas Multicorp Limited and the fee payable for this opinion is not contingent upon the opinion reported herein.
- Our Fairness Opinion should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into the proposed transaction.
- The Opinion contained herein is not intended to represent at any time other than the date that is specifically stated in this Report. This opinion is issued on the understanding that the Management / "Valuer" of M/s Vikas Ecotech Limited or M/s Vikas Multicorp Limited has drawn our attention to all matters of which they are aware, which may have an impact on our opinion up to the date of valuation. We have no responsibility to update this report for events and circumstances occurring after this Valuation Date.
- This Fairness Opinion of ours as a Cat-1 Merchant Banker is subject to the Caveats above as well as the Caveats of the "Valuer" mentioned in its share entitlement report dated 29.05.2017 for valuation based as at 31<sup>st</sup>March, 2017.
- The Fairness Opinion provided by us should not be construed as a legal opinion on the Petition to be filed u/s 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.
- Our report is not, nor should it be construed as our opining or certifying the compliance of the proposed Scheme of Arrangement for Demerger with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising from such proposed Demerger.

DCS/AMAL/SV/R37/976/2017-18

November 09, 2017

The Company Secretary  
Vikas EcoTech Ltd  
4 34/1, Vikas Apartments,  
East Punjabi Bagh,  
New Delhi- 110026

Dear Sir,

**Sub: Observation letter regarding the Draft Scheme of Arrangement between Vikas Ecotech Limited and Vikas Multicorp Limited**

We are in receipt of Draft Scheme of Arrangement between Vikas Ecotech Limited and Vikas Multicorp Limited filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated November 08, 2017, has inter alia given the following comment(s) on the draft scheme of arrangement:

- "Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company."
- "Company shall duly comply with various provisions of the Circulars."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

However, the listing of equity shares of Vikas Multicorp Limited on the BSE Limited, shall be subject to SEBI granting relaxation under Rule 19(2) (b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. Further, Vikas Multicorp Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange's criteria for listing the securities of such company and also comply with other applicable statutory requirements. However, the listing of shares of Vikas Multicorp Limited is at the discretion of the Exchange. In addition to the above, the listing of Vikas Multicorp Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Vikas Multicorp Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the company is also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all the information of Vikas Multicorp Limited in line with the details required as per the aforesaid SEBI circular no. CFD/DIL3/GIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.
3. To disclose all the material information about Vikas Multicorp Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provisions shall be incorporated in the scheme:
  - i. "The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."
  - ii. "There shall be no change in the shareholding pattern of Vikas Multicorp Limited between the record date and the listing which may affect the status of this approval."

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT. Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble NCLT, the listed company shall submit to the stock exchange the following:

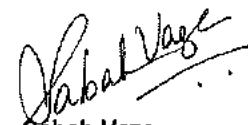
- Copy of the NCLT approved Scheme;
- Result of voting by shareholders for approving the Scheme;
- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular.
- Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

  
Nitin Pujari  
Sr. Manager

  
Sabah Vaze  
Assoc. Manager

Ref: NSE/LIST/12613

November 14, 2017

The Company Secretary  
Vikas EcoTech Limited  
Vikas Apartments, 34/1,  
East Punjabi Bagh,  
New Delhi - 110026

**Kind Attn.: Mr. Siddharth Agrawal**

Dear Sir,

**Sub: Observation letter for draft Scheme of Arrangement for demerger between Vikas Ecotech Limited and Vikas Multicorp Limited.**

This has reference to the draft Scheme of Arrangement for Demerger between Vikas Ecotech Limited (Demerged Company) and Vikas Multicorp Limited (Resulting Company) and their respective shareholders and creditors (Under Sections 230 to 232 of the Companies Act, 2013) filed by Vikas Ecotech Limited vide application dated July 20, 2017.

Based on our letter reference no Ref: NSE/LIST/19749 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), SEBI vide letter dated November 08, 2017, has given following comments:

- a. *The Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter, is displayed on the website of the listed company.*
- b. *The Company shall duly comply with various provisions of the Circulars.*
- c. *The Company is advised that the observations of SEBI/ Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*
- d. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/ representations.*

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with the NCLT.

However, the listing of equity shares of Vikas Multicorp Limited on the National Stock Exchange of India Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957. Further, Vikas Multicorp Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authorities and Rules, Byelaws and Regulations of the Exchange.





The Company should also fulfill the Exchange's criteria for listing such Company and also comply with other applicable statutory requirements. However, the listing of shares of Vikas Multicorp Limited is at the discretion of the Exchange.

The listing of Vikas Multicorp Limited, pursuant to the Scheme of Arrangement shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Vikas Multicorp Limited and its group Companies in line with the disclosure requirements applicable for public issues with NSE for making the same available to the public through website of the Company.
2. To publish an advertisement in the newspapers containing all the information about Vikas Multicorp Limited in line with the details required as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.
3. To disclose all the material information about Vikas Multicorp Limited to NSE on the continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for disclosures about the subsidiaries.
4. The following provision shall be incorporated in the Scheme:
  - (a) "The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange."
  - (b) "There shall be no change in the shareholding pattern or control in Vikas Multicorp Limited between the record date and the listing which may affect the status of this approval."

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement / Regulations, Guidelines issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from November 14, 2017, within which the Scheme shall be submitted to the NCLT. Further pursuant to the above cited SEBI circular upon sanction of the Scheme by the NCLT, you shall submit to NSE the following:

- a) Copy of Scheme as approved by the NCLT;
- b) Result of voting by shareholders for approving the Scheme;
- c) Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme,
- d) Status of compliance with the Observation Letter/s of the stock exchanges.



- e) The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f) Complaints Report as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

Yours faithfully,  
For **National Stock Exchange of India Limited**

Divya Poojari  
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL [http://www.nseindia.com/corporates/content/further\\_issues.htm](http://www.nseindia.com/corporates/content/further_issues.htm)



# VIKAS ecOTECH LTD.

Ph.: +91-1143144444 • Email : info@vikasecotech.com • Website : www.vikasecotech.com • CIN -L65999DL1984PLC019465

Date: 11.09.2017

To,

Manager - Listing-Compliance Department  
National Stock Exchange of India Limited  
'Exchange Plaza', C-1, Block G,  
Bandra Kurla Complex, Bandra (E),  
Mumbai - 400051

NSE Symbol: VIKASECO

Dear Sirs,

**Ref:** Submission of Complaint Report as per Regulation 37 of SEBI (Listing Obligations and disclosure Requirements), regulations, 2015 ("SEBI (LODR) Regulations, 2015).

**SUB:** Scheme of Arrangement for Demerger of Vikas EcoTech Limited ("VEL" or "the Demerged Company) and Vikas Multicorp Limited ("VML" "the Resulting Company) and their respective Shareholders ("the Scheme" or this Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

Please refer to our application under aforementioned regulation for the proposed scheme of Arrangement for demerger of Vikas EcoTech Limited and Vikas Multicorp Limited and their respective Shareholders ("the Scheme") filed on July 20<sup>th</sup>, 2017 and uploaded on 16<sup>th</sup> August, 2017.

In this regards, we are enclosing herewith the Complaint Report, in the prescribed format for your necessary action.

Kindly upload the same on your website.

Thanking you,

Yours Faithfully,  
For Vikas EcoTech Limited

  
(Siddharth Agrawal)  
Company Secretary \*

Email id:  
Encl: A/a

**Regd. Office :** Vikas House, 34/1, East Punjabi Bagh, New Delhi- 110026 (INDIA)

**Plant 1 :** Industrial Growth Centre, Phase-I, SIDCO Complex, Distt. Samba-187 121 (J&K)  
**Plant 2 :** G-24-30, Vigyan Nagar, RIICO Indl Area, Shahjahanpur, Distt. Alwar-301 706 (Raj)



**Part A**

Sl. No.	Particulars	Number
1.	No. of Complaints Received directly	NIL
2.	No. of Complaints Forward by Stock Exchanges (BSE & NSE) /SEBI	NIL
3.	Total Number of Complaints/Comments Received (1+2)	NIL
4.	Number of Complaints Resolved	NIL
5.	No. of Complaints Pending	NIL

**Part B**

Sl. No.	Name of Complainant	Date of Complaint	Status Pending/ Resolved
2.		NIL	

For Vikas EcoTech Limited

(Siddharth Agrawal)  
Company Secretary



Date: 11.09.2017

Place: New Delhi

Complaints Status as on: 11/09/2017

<b>Total Complaints Received</b>	11
<b>Total Resolved Complaints</b>	11
<b>Total Pending Complaints</b>	0
<b>Total Complaints Withdrawn</b>	0
<b>ATR/REPLY Sent and Pending With SEBI</b>	0
<b>Review(s) received</b>	<a href="#">Click Here</a>
New Complaints(For Assessment)	--
Clarification Sought By SEBI/Higher Organization	--
Action Taken Report Received	--
Action Taken Report Sent	--
Pending Complaints(Within Our Office)	--
Pending Complaints(With Investor)	--
Pending Complaints(With Subordinate Organisations)	--
Pending Complaints(With Subordinate Organisations - Atr not Received)	--
Reminder/Clarification received from investor/SEBI	--
Clarification sought from subordinate organisation	--



**Date: 03.08.2017**

To,  
Listing Department  
BSE Limited  
PJ Towers,  
Dalal Street, Fort,  
Mumbai 400001

**BSE Scrip Code: 530961**

Dear Sirs,

**Ref:** Submission of Complaint Report as per Regulation 37 of SEBI (Listing Obligations and disclosure Requirements), regulations, 2015 (“SEBI (LODR) Regulations, 2015).

**SUB:** Scheme of Arrangement for Demerger of Vikas EcoTech Limited (“VEL” or “the Demerged Company) and Vikas Multicorp Limited (“VML” “the Resulting Company) and their respective Shareholders (“the Scheme” or this Scheme”) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

Please refer to our application under aforementioned regulation for the proposed scheme of Arrangement for demerger of Vikas EcoTech Limited and Vikas Multicorp Limited and their respective Shareholders (“the Scheme”) filed on July 10<sup>th</sup>, 2017 and uploaded on July 20<sup>th</sup>, 2017.

In this regards, we are enclosing herewith the Complaint Report, in the prescribed format for your necessary action.

Kindly upload the same on your website.

Thanking you,

Yours Faithfully,  
For Vikas EcoTech Limited

  
(Siddharth Agrawal)  
Company Secretary



Email id:  
Encl: A/a

**Regd. Office :** Vikas House, 34/1, East Punjabi Bagh, New Delhi- 110026 (INDIA)

**Plant 1 :** Industrial Growth Centre, Phase-I, SIDCO Complex, Distt. Sambe-187 121 (J&K).  
**Plant 2 :** G-24-30, Vigyan Nagar, RIICO Indl. Area, Shahjahanpur, Distt. Alwar-301 706 (Raj)

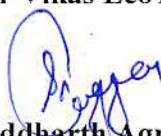
**Part A**

Sl. No.	Particulars	Number
1.	No. of Complaints Received	NIL
2.	No. of Complaints Forward by Stock Exchange (BSE)	NIL
3.	Total Number of Complaints/Comments Received	NIL
4.	Number of Complaints Resolved	NIL
5.	No. of Complaints Pending	NIL

**Part B**

Sl. No.	Name of Complainant	Date of Complaint	Status Pending/ Resolved
1.		NIL	

For Vikas EcoTech Limited

  
(Siddharth Agrawal)  
Company Secretary



Date: 03.08.2017

Place: New Delhi



Complaints Status as on: 03/08/2017

<b>Total Complaints Received</b>	11
<b>Total Resolved Complaints</b>	11
<b>Total Pending Complaints</b>	0
<b>Total Complaints Withdrawn</b>	0
<b>ATR/REPLY Sent and Pending With SEBI</b>	0
<b>Review(s) received</b>	<a href="#">Click Here</a>
New Complaints(For Assessment)	-
Clarification Sought By SEBI/Higher Organization	-
Action Taken Report Received	-
Action Taken Report Sent	-
Pending Complaints(Within Our Office)	-
Pending Complaints(With Investor)	-
Pending Complaints(With Subordinate Organisations)	-
Pending Complaints(With Subordinate Organisations - Atr not Received)	-
Reminder/Clarification received from investor/SEBI	-
Clarification sought from subordinate organisation	-

**ADOPTION OF REPORT BY BOARD OF DIRECTORS OF VIKAS ECOTECH LIMITED IN ITS MEETING HELD ON 29<sup>th</sup> MAY, 2017 EXPLAINING THE EFFECT OF SCHEME ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS OF THE COMPANY PURSUANT TO THE PROVISIONS OF SECTION 232(2)(c) OF THE COMPANIES ACT, 2013.**

**1. Background**

- 1.1. The proposed scheme of Arrangement for Demerger of High Volume 'Recycled Compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited (Resulting Company) and their respective shareholders and creditors under sections 230-232 of Companies Act, 2013("Act") was approved by the Board of Directors of the Company ("Board") vide its resolution dated 29.05.2017. Provisions of Section 232(2) (c) of the Companies Act, 2013 requires the Directors to adopt a report explaining the effect of Scheme of Arrangement on equity shareholders, key managerial personnel (KMPs), promoters and non-promoters shareholders of the Transferor Company laying out in particular the share entitlement ratio and the same is required to be circulated to for the meeting(s).
- 1.2. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2) (c) of the Companies Act, 2013.
- 1.3. The following documents were placed before the Board:
  - 1.3.1. Draft Scheme duly initialed by the Chairman for the purpose of identification;
  - 1.3.2. The valuation report dated 29.05.2017, issued by M/s. Sanjeev Jagdish Chand & Associates ("**Valuation Report**");
  - 1.3.3. The fairness opinion dated 29.05.2017, obtained from Corporate Professionals Capital Private Limited ("**fairness Opinion**"); and
  - 1.3.4. Report of Audit committee dated 01.07.2017.

**2. Effect of the Scheme of Arrangement as summarized below on equity shareholders (promoter shareholders), employees and KMPs of Vikas Ecotech Limited ('Demerged Company').**

- 2.1. Upon the effectiveness of Part B of the Scheme, i.e. demerger of the High Volume 'Recycled Compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited

- (Demerged Company) into Vikas Multicorp Limited (Resulting Company), the Resulting Company shall allot equity shares, based on the Share Entitlement Ratio, as under and more particularly in the manner as stipulated in Part C of the Scheme, to the equity shareholders of the Demerged Company:
- 2.2. Resulting Company without further application, act or deed, shall issue and allot to each of the shareholders of Demerged Company shares in proportion of “1 (One) Equity Shares of Re. 1 (Rupee One) each at par in the Resulting Company for every 1 (One) Equity Shares of Re. 1 (Rupee One) each held by them in the Demerged Company”.
  - 2.3. Under Clause 5 of Part B of the Scheme, on and from the Effective Date, Resulting Company undertakes that all persons that were employed by the Demerged Company in Demerged Undertaking immediately before such date shall become employees of the Resulting Company with the benefit of continuity of service on same terms and conditions as were applicable to such employees of Demerged Company engaged in Demerged Undertaking immediately prior to such transfer and without any break or interruption of service and in the manner provided under Clause 5 of Part B of the Scheme. In the circumstances, the rights of the Employees of the Demerged Company engaged in Demerged Undertaking would in no way be affected by the Scheme.
  - 2.4. There will be no impact of Scheme of Arrangement on Key managerial personnel and Director of the Demerged Company.
  - 2.5. No special valuation difficulties were reported.

**For and on behalf of Board of Directors**

**Vikas Ecotech Limited**

**Sd-**

**Director**

**ADOPTION OF REPORT BY BOARD OF DIRECTORS OF VIKAS MULTICORP LIMITED IN ITS MEETING HELD ON 29<sup>th</sup> MAY, 2017 EXPLAINING THE EFFECT OF SCHEME ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS OF THE COMPANY PURSUANT TO THE PROVISIONS OF SECTION 232(2)(c) OF THE COMPANIES ACT, 2013.**

**1. Background**

- 1.1. The proposed scheme of Arrangement for Demerger of High Volume 'Recycled Compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited (Resulting Company) and their respective shareholders and creditors under sections 230-232 of Companies Act, 2013 ("Act") was approved by the Board of Directors of the Company ("Board") vide its resolution dated 29.05.2017. Provisions of Section 232(2) (c) of the Companies Act, 2013 requires the Directors to adopt a report explaining the effect of Scheme of Arrangement on equity shareholders, key managerial personnel (KMPs), promoters and non-promoters shareholders of the Transferor Company laying out in particular the share entitlement ratio and the same is required to be circulated to for the meeting(s).
- 1.2. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2) (c) of the Companies Act, 2013.
- 1.3. The following documents were placed before the Board:
  - 1.3.1. Draft Scheme duly initialed by the Chairman for the purpose of identification;
  - 1.3.2. The valuation report dated 29.05.2017, issued by M/s. Sanjeev Jagdish Chand & Associates ("**Valuation Report**");
  - 1.3.3. The fairness opinion dated 29.05.2017, obtained from Corporate Professionals Capital Private Limited ("**fairness Opinion**");

**2. Effect of the Scheme of Arrangement as summarized below on equity shareholders (promoter shareholders), employees and KMPs of Vikas Multicorp Limited ("Resulting Company").**

- 2.1. Upon the effectiveness of Part B of the Scheme, i.e. demerger of the High Volume 'Recycled Compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited (Resulting Company), the Resulting



- Company shall allot equity shares, based on the Share Entitlement Ratio, as under and more particularly in the manner as stipulated in Part C of the Scheme, to the equity shareholders of the Demerged Company:
- 2.2. Resulting Company without further application, act or deed, shall issue and allot to each of the shareholders of Demerged Company shares in proportion of “1 (One) Equity Shares of Re. 1 (Rupee One) each at par in the Resulting Company for every 1 (One) Equity Shares of Re. 1(Rupee One) each held by them in the Demerged Company”.
  - 2.3. Under Clause 5 of Part B of the Scheme, on and from the Effective Date, Resulting Company undertakes that all persons that were employed by the Demerged Company in Demerged Undertaking immediately before such date shall become employees of the Resulting Company with the benefit of continuity of service on same terms and conditions as were applicable to such employees of Demerged Company engaged in Demerged Undertaking immediately prior to such transfer and without any break or interruption of service and in the manner provided under Clause 5 of Part B of the Scheme. In the circumstances, the rights of the Employees of the Demerged Company engaged in Demerged Undertaking would in no way be affected by the Scheme.
  - 2.4. There will be no impact of Scheme of Arrangement on Key managerial personnel and Director of the Resulting Company.
  - 2.5. No special valuation difficulties were reported.

**For and on behalf of Board of Directors**

**Vikas Multicorp Limited**

**Sd-**

**Director**

# **Independent Auditor's Report**

To,

The Members of **VIKAS ECOTECH LIMITED**

## **Report on the financial statements**

We have audited the attached Financial Statements of M/s VIKAS ECOTECH LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss for the year then ended and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "the financial statements").

## **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 financial statements that give a true and fair view of the financial position and financial performance 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 of 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, which have been used for the purpose of preparation of the financial statements by the Directors of the Company, as aforesaid.

## **Auditor's responsibilities**

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of 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 on the financial statements.

## **Opinion**

Except as otherwise stated in accounting policies and notes to financial statements, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the

information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017; its profit and cash flows for the year ended on that date.

### **Other Matters**

Certain balances as on year end such as Closing Stock, Fixed Assets and Cash in Hand are certified by the management and relied upon by us. Balances of Loans and Advances including advance from customers and advance paid to suppliers (domestic and overseas both), Creditors and Debtors (domestic and overseas both) are subject to confirmation/reconciliation and consequential adjustments, if any. Our opinion on the financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on financial statements/financial information certified by the Management.

The financial statements of the Company for the year ended 31<sup>st</sup> March, 2016 were audited by another auditor who expressed an unmodified opinion on those statements on 23<sup>rd</sup> May, 2016.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Company, we give in the Annexure-A 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, to the extent applicable, that
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except as otherwise stated in accounting policies and notes to financial statements.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164(2) of the Act;
  - f) With respect to the adequacy of internal financial controls over the financial reporting of the company and operating effectiveness of such control, 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial position of the company (Refer Note No. 32) to financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. (Refer Note No. 45) to financial statements.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

**For KSMC & ASSOCIATES  
Chartered Accountants  
Firm Regn. No. 003565N**

**SD/-  
CA PRASHANT CHANNA  
Partner  
Membership No.: 530041  
Place: New Delhi  
Date : May 29, 2017**



## Annexure A

### ANNEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in our report to the members of VIKAS ECOTECH LIMITED ("the Company") for the year ended March 31, 2017. We report that:

<b>S. No.</b>	<b>Particulars</b>	<b>Auditor's Remarks</b>
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	As informed and explained to us, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. However we have not seen and examined any fixed assets register and records solely relied upon the management representation given to us in this regard.
	(b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner and no material discrepancies were noticed on such physical verification. However we have not seen and examined any physical verification report and relied solely on management representation given to us in this regard.
	(c) Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	According to information and explanations given to us and on the basis of examination of the records of the company, the title deeds of immovable properties are held in the name of the Company
(ii)	whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	In our opinion according to information given to us, the inventories have been physically verified during the year by the Management at reasonable intervals and as explained to us no material discrepancies were noticed on physical verification. However we have not seen and examined any physical verification report and relied solely on management representation given to us in this regard.
(iii)	Whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so,	The company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
	(a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	The company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or

		other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence, this clause is not applicable.
	(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	The company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence, this clause is not applicable.
	(c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	The company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence, this clause is not applicable.
(iv)	In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	The company has not given or made any investments, or provided any guarantee and security covered under section 185 and 186 of Companies Act, 2013. Accordingly the provision of clause 3(iv) of the order is not applicable.
(v)	in case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	According to the information and explanations given to us, the Company has not accepted any deposit within meaning of section 73 to 76 of the Companies Act, 2013 and rules framed there under during the year. Accordingly the provision of clause 3(iv) of the order is not applicable.
(vi)	Whether maintenance of cost records has been the Central Government under sub-section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.	The Company has maintained cost records as required as specified by the section (1) of section 148 of the Companies Act, 2013.
(vii)	(a) whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of undisputed statutory dues including provident fund, Employee's State Insurance Fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been deposited during the year by the Company with the appropriate authorities

		but delay in deposit of the same has been observed in some of the cases.
	(b) where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	According to the information and explanations given to us, no other undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at March 31, 2017 for a period of more than six months from the date they became payable. For amounts which are not paid on account of disputes for which appeals are pending, <b>refer Note 32</b> to Financial Statements for the year ended 31st March 2017.
(viii)	Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).	In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and Government or dues to debenture holders during the year.
(ix)	Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	In our opinion and according to the information and explanations given to us, monies raised by way of initial public offer or further public offer (including debt instruments) and term loans during the year have been applied by the Company for the purposes for which they were raised.
(x)	whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

(xi)	Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;	In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
(xii)	whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten percent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	The Company is not a Nidhi Company and hence reporting under clause (xii) of Paragraph 3 of the Order is not applicable.
(xiii)	Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
(xiv)	Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	During the year under review the Company has made preferential allotment of 2,56,60,000 equity shares details of which is mentioned in Note 2 of Financial statements. As per information and explanation given to us the requirement of section 42 of the Companies Act, 2013 have been complied with while issuing preferential allotment and the amount raised by preferential allotment have been used for the purposes for which the funds were raised.
(xv)	whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;	The company has not entered into any non-cash transactions with directors or persons connected with him, hence the provisions of section 192 of Companies Act, 2013 are not applicable
(xvi)	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **KSMC & ASSOCIATES**  
**Chartered Accountants**  
**Firm Regn. No. 003565N**

**SD/-**  
**CA PRASHANT CHANNA**  
**Partner**  
**Membership No.: 530041**  
**Place: New Delhi**  
**Date : May 29, 2017**



**Annexure “B” to the Independent Auditors Report on the Financial Statements of VIKAS ECOTECH LIMITED**

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

**REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING 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 VIKAS ECOTECH LIMITED (“the Company”) as of March 31, 2017 in conjunction with our audit of the 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”. 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 my/our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain Reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

#### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's 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, to the best of our information and according to the explanations given to us, 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 March 31, 2017, 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 issued by the ICAI.

**For KSMC & ASSOCIATES  
Chartered Accountants  
Firm Regn. No. 003565N**

**SD/-  
CA PRASHANT CHANNA  
Partner  
Membership No.: 530041  
Place: New Delhi  
Date : May 29, 2017**

## BOARD'S REPORT

The Members,

### Vikas EcoTech Limited

Your Directors have pleasure in presenting the 32<sup>nd</sup> Annual Report on the business and operations of the Company and Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2017.

#### 1. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Directors to the best of their knowledge hereby state and confirm that:

- a) The Financial Statements of the Company - comprising of the Balance Sheet as at March 31, 2017 and the Statement of Profit & Loss for the year ended on that date, have been prepared on a going concern basis;
- b) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- c) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- d) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- e) the internal financial controls to be followed by the company were laid down and such internal financial controls were adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### 2. FINANCIAL RESULTS

The Company's financial performance, for the year ended March 31, 2017 is summarized below:-

(Rs. in Lac)

Particulars	2016-2017	2015-2016
Net Sales /Income from Business Operations	37136.01	30715.20
Other Income	166.93	483.09
<b>Total Income</b>	<b>37302.94</b>	<b>31198.29</b>
Gross Expenditure	30377.23	25818.12
Less Interest	1300.80	1133.53
Profit before Depreciation	5624.90	4246.64
Less Depreciation	426.67	337.07
<b>Profit after depreciation and Interest/Net Profit Before Tax</b>	<b>3566.20</b>	<b>3925.68</b>
Less Current Tax	1450.00	1324.36
Less Previous year adjustment of Income Tax	0.00	38.46
Less Deferred Tax	(200.82)	(17.83)
Mat Credit Availed	0.00	27.24
<b>Net Profit after Tax</b>	<b>2317.03</b>	<b>2553.45</b>
Add Share of Profit from Partnership firm/Minority Interest	0.00	0.00
<b>Profit for the Period</b>	<b>2317.03</b>	<b>2553.45</b>
Less Proposed Dividend	139.95	127.11
Less Provision for Dividend Distribution Tax	29.28	25.87
<b>Net Profit after dividend and Tax</b>	<b>2147.80</b>	<b>2400.47</b>
<b>Amount transferred to General Reserve</b>	<b>162.19</b>	<b>178.73</b>
<b>Profits carried to Balance Sheet</b>	<b>1985.61</b>	<b>2221.74</b>
<b>Earnings per Share (Basic)</b>	<b>0.91</b>	<b>1.00</b>
<b>Earnings per Share (Diluted)</b>	<b>0.91</b>	<b>1.00</b>

There have been no material changes and commitments that have occurred after close of the financial year till the date of this report, which affect the financial position of the Company. Based on the internal financial control framework and compliance systems established in the Company, the work performed by Statutory, Internal, Secretarial Auditors and reviews performed by the management and/or the Audit Committee of the Board, your Board is of the opinion that the Company's internal financial controls were adequate and working effectively during financial year 2016-17.

## **DIVIDEND**

Your Directors recommend payment of Equity Dividend of Rs. 0.05 per equity share of Rs. 1/- each and such Equity Dividend, upon approval by the Members of the Company at the ensuing Annual General Meeting, shall be payable on the outstanding equity capital as at the Record Date i.e. 21<sup>st</sup> September, 2017. The outflow on account of equity dividend and the tax on such dividend distribution, based on current paid-up capital of the Company would aggregate to Rs. 1,69,23,411/-.

## **STATE OF AFFAIRS OF THE COMPANY**

During fiscal 2017, your Company witnessed yet another strong year of performance despite the uncertain macro-environment, reflecting the inherent strength of our business portfolio and continued to perform well in domestic markets while expanding our international reach. FY2017 turned out to be an eventful year with the Government's decision to demonetise high value currency during November 2016. However Indian economy proved to be resilient with GDP growth being marginally impacted despite the high magnitude of the event.

The Company has been expanding its operations both in terms of product base and customer base. We have been trying to capture new markets for our products. The operations of the Company are growing steadily and constant raise in performance of the Company is evident from its promising financial prospects.

The Manufacturing plants of the Company are located in the state of J&K and Rajasthan. This has been done keeping in mind the strategic and locational advantages with regard to availability of raw material and potential for finished goods.

## **FUTURE OUTLOOK**

As a move forward and with the help of information technology, your Company is planning to introduce new products in market. The Company is scheduling manufacturing unit at Kandla SEZ, Noida SEZ (NSEZ) and at land allotted by Gujarat Industrial Development Corporation (A Government of Gujarat undertaking) at Dehej-II, Industrial Estate, District- Bharuch (Gujarat) to cater the market of Western and Southern India and also for exports its products like Methylene Chloride and Epoxidised Soya Bean Oil.

## **SUBSIDIARY COMPANIES, JOINT VENTURE AND CONSOLIDATED FINANCIAL STATEMENTS**

During the period under review the Company does not have any Subsidiary.

## **CORPORATE GOVERNANCE AND POLICIES**

In order to maximise shareholder value on a sustained basis, your Company has been constantly reassessing and benchmarking itself with well-established Corporate Governance practices besides strictly complying with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('Listing Regulations') and applicable provisions of Companies Act, 2013. In terms of Schedule V of Listing Regulations, a detailed report on Corporate Governance along with Compliance Certificate issued by the Statutory Auditors of the Company is attached and forms an integral part of this Annual Report. Management Discussion and Analysis Report as per Listing Regulations are presented in separate sections forming part of the Annual Report.

In compliance with the requirements of Companies Act, 2013 and Listing Regulations, your Board has approved various Policies including Code of Conduct for Directors & Senior Management, Material Subsidiary Policy, Insider Trading Code, Document Preservation Policy, Material Event Determination and Disclosure Policy, Fair Disclosure Policy, Corporate Social Responsibility Policy, Whistle Blower and Vigil Mechanism Policy, Related Party Transaction Policy, Remuneration Policy. All these policies and codes have been uploaded on Company's corporate website [www.vikasecotech.com](http://www.vikasecotech.com)

Additionally, Directors Familiarisation Program and Terms and Conditions for appointment of Independent Directors can be viewed on Company's corporate website [www.vikasecotech.com](http://www.vikasecotech.com). In compliance with the requirements of Section 178 of the Companies Act, 2013, the Nomination & Remuneration Committee of your Board had fixed various criteria for nominating a person on the Board which *inter alia* include desired size and composition of the Board, age limits, qualification / experience, areas of expertise and independence of individual.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company has duly constituted a Committee under the nomenclature of Corporate Social Responsibility Committee consisting of majority of non-executive independent Directors. The Committee has developed Corporate Social Responsibility Policy of the Company and is monitoring implementation of the same. The CSR Committee reports to the Board. The said CSR policy of the Company is also posted on the Website of the Company at [www.vikasecotech.com](http://www.vikasecotech.com)



During the year under review, the Company undertook CSR initiative for cause of Education through the “Maharaja Agrasen Technical Education Society (Regd.)” and Rs. 35,30,120/- were allocated and spent for the said cause of promoting education being one of the areas Company is presently focusing.

The Annual Report on Company’s CSR activities is attached to this report.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

On March 31, 2017, Company’s newly opened Poly propylene manufacturing plant was destroyed in a fire that engulfed this particular section of company’s manufacturing facility in Shahjahanpur, Rajasthan. In fire Rs. 16 crores approx. value of stock, plant & machinery along with building was destroyed. All the Plants, stocks, Machinery were fully insured and the Company has successfully filed and lodged the claim with the insurance company.

The Company has decided to demerge the High Volume Recycled compounds and Trading Division of the Company into Vikas Multicorp Limited.

No other material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this Report.

**DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL INCLUDING THOSE WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR**

Your Board currently comprises of 9 Directors including 6 Independent Directors, 3 Executive Director. Independent Directors provide their declarations both at the time of appointment and annually, confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and Listing Regulations. During FY 2016-17 your Board met 6 (six) times details of which are available in Corporate Governance Report annexed to this report.

Persuant to the members’ approval at the 31<sup>st</sup> Annual General Meeting of the Company held on 30<sup>th</sup> September, 2016, Mr. Vikas Garg was appointed as Managing Director for 5 years and Mr. Vivek Garg was appointed as Whole-time Director for a period of 5 years.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Ashutosh Kumar Verma, Whole-time Director, is due to retire by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment. Your Board recommends his re-appointment.

The details of Director being recommended for re-appointment as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are contained in the accompanying Notice convening the ensuing Annual General Meeting of the Company.

During the period under review, Mr. Pankaj Kumar Gupta has resigned as CFO and Mrs. Anjavi Pandya was appointed as Chief Finance Officer of the Company w.e.f. 27<sup>th</sup> October, 2016.

In compliance with the requirements of Section 203 of the Companies Act, 2013, Mr. Vikas Garg, Managing Director, Mr. Vivek Garg, Whole-time Director, Mr. Ashutosh Kumar Verma, Whole-time Director & CEO, Mrs. Anjavi Pandya, Chief Finance Officer and Mr Siddharth Agrawal Compliance Officer & Company Secretary of the Company continue as Key Managerial Personnel of the Company.

**BOARD EVALUATION**

The Independent Directors of your Company, in a separate meeting held without presence of other Directors and management evaluated performance of the Chairman, Managing Director and other Non-Independent Directors along with performance of the Board / Board Committees based on various criteria recommended by Nomination & Remuneration Committee. A report on such evaluation done by Independent Directors was taken on record by the Board and further your Board, in compliance with requirements of Companies Act, 2013, evaluated performance of all Independent Directors based on various parameters including attendance, contribution etc.

**BOARD COMMITTEES**

In compliance with the requirements of Companies Act, 2013 and Listing Regulations your Board had constituted various Board Committees including Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. Details of the constitution of these Committees, which are in accordance with regulatory requirements, have been uploaded on the website of the Company viz. [www.vikasecotech.com](http://www.vikasecotech.com). Details of scope, constitution, terms of reference, number of meetings held during the year under review along with attendance of Committee Members therein form part of the Corporate Governance Report annexed to this report.

## AUDITORS

**Statutory Audit:** As per Section 139 of the Companies Act, 2013 and based on the recommendations of the Audit Committee and upon review of confirmations of satisfaction of criteria as specified in Section 141 of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules, 2014 and in accordance with the approval accorded by the Members at the 31<sup>st</sup> Annual General Meeting held on September 30, 2016, M/s KSMC & Associates, Chartered Accountants, New Delhi, having Firm Registration No. 003565N, appointed as Statutory auditor for a period of five years in place of RSPH & Associates. Your Board places on record their appreciation for the services provided by M/s. RSPH & Associates, Chartered Accountants, as Statutory Auditors of the Company for over two decades.

**Secretarial Audit:** During the year, Secretarial Audit was carried out by M/s AAA & Associates, Company Secretaries in compliance with Section 204 of the Companies Act, 2013.

The report of M/s KSMC & Associates, Chartered Accountants as Statutory Auditor and M/s AAA & Associates, Company Secretaries as Secretarial Auditor forming part of this Annual report do not contain any qualification, reservation or adverse remarks. During the year under review the Statutory Auditors had not reported any matter under Section 143 (12) of the Act and therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

**Cost Audit:** Additionally, in compliance with the requirements of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, as amended, M/s Niraj Kumar Vishwakarma & Associates, Cost Accountants, was engaged to carry out Audit of Cost Records of the Company during Financial Year 2016-17. Requisite proposal seeking ratification of remuneration payable to the Cost Auditor for FY 2016-17 by the Members as per Rule 14 of Companies (Audit and Auditors) Rules, 2014, forms part of the Notice of ensuing Annual General Meeting.

## DISCLOSURES

- I. **Particulars of loans, guarantees and investments:** - During the financial year ended 31st March, 2017, no Loans, Investment or guarantee u/s 186 of the Companies Act, 2013 was made by the Company.
- II. **Transactions with Related Parties-** All contracts / arrangements / transactions entered by the Company during the financial year with related parties were on an arm's length basis, in the ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and Listing Regulations. During FY 2016-17, there are no materially significant Related Party Transactions by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All related party transactions are placed before the Audit Committee for its approval and statement of all related party transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions along with arms-length justification. During the year under review, there have been no materially significant related party transactions as defined under Section 188 of the Act and Regulations 23 the Listing Regulations and accordingly no transactions are required to be reported in Form AOC-2 as per Section 188 of the Companies Act, 2013.
- III. **Internal Financial Controls and their adequacy:** Your Company has approved internal financial controls and policies / procedures to be adopted by the Company for orderly and efficient conduct of the business including safeguarding of assets, prevention and detection of frauds and errors, ensuring accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The Audit Committee evaluates the internal financial control system periodically and at the end of each financial year.
- IV. **Deposits & Unclaimed Dividend:** Your Company has not accepted any public deposit under Chapter V of the Companies Act, 2013. During the year under review, the Company has not transferred any amount in Investor Education and Protection Fund.
- V. **Extract of Annual Return:** The extract of Annual Return in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 is annexed to this report.
- VI. **Sexual Harassment:** The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the year under review one complaint relating to sexual harassment was received by the Company and the same is under investigation.
- VII. **Regulatory Orders:** No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

## **CREDIT RATINGS**

During the year under review Brickwork Ratings India Private Limited, A SEBI, RBI & NSIC registered credit rating agency in India, has upgraded the company's rating to BBB+ from BBB- for Long-term bank facilities. The upgraded ratings showcase the company's improved and strong fundamentals across finance, operations and governance parameters. The company has been continuously working to ensure better performance in terms of financial parameters as also garnering higher market share.

Dun & Bradstreet, a US based information and business rating MNC has upgraded the company's rating to 5A2 from the previous 4A3, due to improved performance and business metrics.

Crisil, a S& P Global Company has rated the bank facilities of Company has assigned CRISIL BBB for company's Long-Term Borrowings & CRISIL A3+ for the Short-Term Borrowings with stable outlook.

The ratings indicate company's comfortable financial risk profile and are in line with Company's strategy of profitable growth and improvement in quality of its financial parameters through better operational performance. The rating reinforces the company's practice for financial transparency and reporting.

The new ratings will help all stakeholders especially financial institutions appreciate the bettered credit quality of the company. In turn, the company going forward will be able to access debt and capital at more efficient terms for its various growth initiatives.

## **ENVIRONMENT, HEALTH AND SAFETY**

Your Company is continuously working towards laying a strong foundation and creating a sustainable future for our organization, our people and the society as a whole. Here, Environment Health and Safety (EHS) management is a key pillar of our sustainable growth agenda. We are committed to lead and excel in all aspects of environmental stewardship, safety, health and social responsibility, always striving to provide safe and healthy work environment to our employees and efficient, safe and environmentally responsible products to our customers. Your Company's primary focus in this regard is on product innovation, developing safe and efficient products which are environmentally friendly, i.e. energy-efficient, safer to use, using non-toxic / eco-friendly raw-materials, having long use life and those can be safely disposed and dismantled at the end of their use life. Further, we are actively working towards improving the EHS systems and practices within our operations. From environment aspect, our efforts are directed towards resource conservation and efficiency within our operations. We have initiated an energy conservation drive within our plants with the objective of monitoring our energy consumption at micro-level, benchmarking our performance and implementing solutions for continuous improvements.

## **RESEARCH & DEVELOPMENT**

With the objective of enhancing in-house R&D capability, the Company is investing in world class infrastructure and test laboratories at all plant locations. The company has strong focus on in-house research & development and promotes culture for innovation. Company's CRI (Centre for Research and Innovation) team focuses on continuous and sustainable product innovations, working across the product lifecycle aspects including design, development, manufacturing and use phases. During the year, the R&D activities continued to focus on developing intelligent, eco-friendly and energy efficient products, as well as, extending the range of existing products.

## **LISTING OF SECURITIES**

The shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

## **CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION**

### **Energy Conservation measures taken, Steps taken for utilizing alternate source of energy, Capital investment on energy conservation equipment:**

The Company has professionally designed & maintained Power factor Panels.

These are specifically designed panels ensuring optimum use of the electricity being consumed at our factories.

The power factor calculations on our electricity consumption calculations show that VEL is nearing perfect results in getting the best output from the electrical energy consumed in the plants.

VEL closely monitors the throughput of all the machines to ensure that every part of the electrical energy consumed is justified with nearly nil wastage of energy.

Proper production planning also contributes positively to avoid wastage of electrical energy & optimum outputs.

Water conservation, Water extraction, storage, desalinization (softening hard water, filtration for further use in process) also involve a considerable consumptions of electrical energy.

VEL plants have the rainwater harvesting systems in place which not only help conserve water but also the electrical energy involved in extraction of the volume of water thus collected.

The Company shall continue its endeavor to improve energy conservation and utilization

## **TECHNOLOGY ABSORPTION**

### **1) Efforts made in technology absorption & Benefits derived:**

Major initiatives are being taken to upgrade the various processes by making use of latest and better techniques. Efforts are being made to make best use of available infrastructure and at the same time importing new technology to bring out efficiency and economy. As a step towards it, the Company has procured highly sophisticated machinery for its newly set up plant at Shahjahanpur, Rajasthan, for commencing production of an additional range of Polymer Additives.

#### **Research & Development (R & D)**

- a) **Specific Areas in which R & D carried out by the Company:** During the year, the Company has inclined its efforts in the development of its production efficiency by improving its methods and technology.
- b) **Benefits derived as a result of above R & D:** Increased in market share.
- c) **Future Plan of Action/Expansions Plans:** As the relevant industry is gearing up to cater to the growing demand, Vikas EcoTech Limited, is all set to expand their business in a big way in the coming years. The company is also progressive in installation of additional line to increase the production of Polymer and Polyester Compound at its existing plant located at Shahjahanpur, Alwar, Rajasthan.

With a host of expansion plans, the Company is confident of achieving new heights in the coming years.

### **2) Imported Technology (imported during last 3 years reckoned from beginning of the financial year)**

None.

### **3) Expenditure incurred on Research and Development (R&D)**

The Company has incurred a total expenditure of Rs. 4.32 lacs (including capital and revenue expenses) towards Research and Development.

## **FOREIGN EXCHANGE, EARNINGS AND OUTGO**

During the Financial Year 2016-17 the Company had foreign exchange earnings of Rs. 1,86,30,76,248 and outgo of Rs. 59,49,71,924.

### **Acknowledgement**

The Board places on record its appreciation for the continued co-operation and support extended to the Company by customers, vendors, regulators, banks, financial institutions, rating agencies, stock exchanges and depositories, auditors, legal advisors, consultants, business associates and all the employees with whose help, cooperation and hard work the Company is able to achieve the results. The Board deeply acknowledges the trust and confidence placed by the consumers of the Company and all its shareholders.

**Sumer Chand Tayal**  
**(Director)**  
**DIN: 00255661**

**Vikas Garg**  
**Managing Director**  
**DIN: 00255413**

**Place: New Delhi**  
**Date: 11.08.2017**

**ANNEXURE**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)**

A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programs.	Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee of the Board had approved a CSR Policy with primary focus on Education, Healthcare, Women Empowerment and Sports. Besides these focus areas the Company shall also undertake any other CSR activities listed in schedule VII of the Companies Act, 2013.  The CSR Policy of the Company can be viewed on <a href="http://www.vikasecotech.com">www.vikasecotech.com</a>
The Composition of the CSR Committee.	The CSR Committee of the Board comprises of 3 Directors. Mr. Purushottam Dass Bhoot, Non-Executive Independent Director is the Chairman of the Committee while Mr. Sumer Chand Tayal, Non-Executive Independent Director & Mr. Vikas Garg, Managing Director are its Members.
3 Average net profit of the Company for last three financial years	Rs. 16,40,89,605
Prescribed CSR expenditure (two percent of the average net profits for last three years)	Rs. 32,81,792.10
Details of CSR spent during FY	Rs. 35,30,120
Amount spent	Rs. 35,30,120
Unspent amount	NIL
Areas where spent	As detailed in Annexure A

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or Activity Identified	Sector in which the project is covered	Project or Program (1) Local Area or Other (2) Specify the State and district where projects or programs was undertaken	Amount Outlay (Budget) Project or Program wise	Amount spent on the Projects or Programs Sub Heads: (1) Direct Expenditure on Projects or Programs (2) Overheads	Cumulative Expenditure upto the reporting period	Amount Spent: Direct or through Implementing Agency
1.	Promotion of Education	Education	Local Area, Delhi/NCR	Rs. 35,30,120/-	Direct Exp. Rs. 35,30,120/-	Rs. 35,30,120/-	Through Implementing Agency

Note: CSR spend mentioned herein are amount contributed / remitted by the Company to NGO's or implementing agencies mentioned above, which may or may not be fully utilized toward purposes mentioned above.

The CSR committee hereby certifies that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

**Sumer Chand Tayal**  
**(Director)**  
**DIN: 00255661**

**Vikas Garg**  
**Managing Director**  
**DIN: 00255413**

**Place: New Delhi**  
**Date: 11.08.2017**



**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

**I REGISTRATION & OTHER DETAILS:**

<b>i</b>	CIN	L65999DL1984PLC019465
<b>ii</b>	Registration Date	30.11.1984
<b>iii</b>	Name of the Company	Vikas EcoTech Limited (Formerly Vikas GlobalOne Limited)
<b>iv</b>	Category/Sub-category of the Company	Company Limited by Shares/Indian Non-Government Company
<b>v</b>	Address of the Registered office & contact details	Address : Vikas Apartments, 34/1, East Punjabi Bagh, New Delhi-110026 Telephone : 011-43144444 Fax : 011-43144488 Email : investors@vikasecotech.com Website : www.vikasecotech.com
<b>vi</b>	Whether listed company	Yes
<b>vii</b>	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Name : Alankit Assignments Limited Address : 4E/2, Alankit House, Jhandewalan Extension, New Delhi- 110055 Telephone : 011-42541234 Email Address : info@alankit.com Website : www.alankit.com

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

<b>S. No.</b>	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Thermoplastic Rubber Compounds	20119	31.3

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

<b>S. No.</b>	Name and Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
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The Company has no subsidiary/associate as on 31st March, 2017.

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/HUF	7,37,44,305	-	7,37,44,305	29.01	6,95,12,805	-	6,95,12,805	24.83	-4.17
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	4,32,21,141	-	4,32,21,141	17.00	4,11,06,140	-	4,11,06,140	14.69	-2.31
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	<b>11,69,65,446</b>	<b>-</b>	<b>11,69,65,446</b>	<b>46.01</b>	<b>11,06,18,945</b>	<b>-</b>	<b>11,06,18,945</b>	<b>39.52</b>	<b>-6.49</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	5,09,178	-	5,09,178	0.20	9,06,300	-	9,06,300	0.32	0.12
h) Foreign Venture Capital Funds	-	-	-	-	30,000	-	30,000	0.01	0.01
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>5,09,178</b>	<b>-</b>	<b>5,09,178</b>	<b>0.20</b>	<b>9,36,300</b>	<b>-</b>	<b>9,36,300</b>	<b>0.33</b>	<b>0.13</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	7,58,77,444	2,67,500	7,61,44,944	29.95	2,91,47,928	32,500	2,91,80,428	10.43	-19.52
<b>i) Indian</b>									
<b>ii) Overseas</b>									
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1,66,84,323	25,16,887	1,92,01,210	7.55	7,31,64,750	25,09,387	7,56,74,137	27.04	19.48
ii) Individual shareholders holding nominal share capital in excess of Rs2 lakh	4,14,08,897	-	4,14,08,897	16.29	6,00,43,954	-	6,00,43,954	21.45	5.16

<b>c) Others (specify)</b>										
<b>c-i) Non Resident Indian</b>	-	-	-	-	32,71,061	1,12,500	33,83,561	1.21	1.21	
<b>c-ii) NBFC Registered with RBI</b>	10,000	-	10,000	0.00	62,350	-	62,350	0.02	0.02	
<b>Sub-total (B)(2):-</b>	<b>13,39,80,664</b>	<b>27,84,387</b>	<b>13,67,65,051</b>	<b>53.79</b>	<b>16,56,90,043</b>	<b>26,54,387</b>	<b>16,83,44,430</b>	<b>60.14</b>	<b>6.35</b>	
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	13,44,89,842	27,84,387	13,72,74,229	53.99	16,66,26,343	26,54,387	16,92,80,730	60.47	6.48	
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-	
<b>Grand Total (A+B+C)</b>	<b>25,14,55,288</b>	<b>27,84,387</b>	<b>25,42,39,675</b>	<b>100.00</b>	<b>27,72,45,288</b>	<b>26,54,387</b>	<b>27,98,99,675</b>	<b>99.99</b>	<b>-</b>	

**(ii) SHARE HOLDING OF PROMOTERS**

S No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Asha Garg	8,025	0.003	-	8,025	0.003	-	-
2	Baby Sukriti Garg	3,78,325	0.149	-	3,78,325	0.135	-	-
3	Ishwar Gupta	2,800	0.001	-	2,800	0.001	-	-
4	Seema Garg	32,17,175	1.265	-	11,02,175	0.394	-	-1
5	Vikas Garg	5,04,60,355	19.848	-	4,83,43,855	17.272	-	-3
6	Vikas Garg (Sukriti Welfare Trust)	44,56,550	1.753	-	44,56,550	1.592	-	-
7	Vikas Garg(HUF)	33,02,750	1.299	-	33,02,750	1.180	-	-
8	Vivek Garg	10,71,550	0.421	-	10,71,550	0.383	-	-
9	Usha Garg	22,33,000	0.878	-	22,33,000	0.798	-	-
10	Jai Kumar Garg	10,19,750	0.401	-	10,19,750	0.364	-	-
11	Jai Kumar Garg (Huf)	11,18,500	0.440	-	11,18,500	0.400	-	-
12	Nand Kishore Garg	61,32,775	2.412	-	61,32,775	2.191	-	-
13	Nand Kishore Garg(HUF)	3,37,750	0.133	-	3,37,750	0.121	-	-
14	Vaibhav Garg	5,000	0.002	-	5,000	0.002	-	-
15	Vikas Multicorp Ltd. (Formerly Moonlite Technochem Pvt. Ltd.)	4,32,21,141	17.000	-	4,11,06,140	14.686	-	-2.314
	<b>TOTAL:-</b>	<b>11,69,65,446</b>	<b>46.006</b>	<b>-</b>	<b>11,06,18,945</b>	<b>39.521</b>	<b>-</b>	<b>-6.485</b>

\* Company has made a Preferential allotment of 2,56,60,000 shares on 04.03.2017 and 16.03.2017

(iii) *Change in Promoters' Shareholding ( please specify, if there is no change)*

S. No.	Promoters Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
<b>1</b>	<b>Mrs. Asha Garg</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	8,025	0.003		
	No Changes	---	---	8,025	0.003
	At the End of the year	<b>8,025</b>	<b>0.003</b>		
<b>2</b>	<b>Baby Sukriti Garg</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3,78,325	0.135		
	No Changes	---	---	3,78,325	0.135
	At the End of the year	<b>3,78,325</b>	<b>0.135</b>		
<b>3</b>	<b>Mr. Ishwar Gupta</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2,800	0.001		
	No Changes	---	---	2,800	0.001
	At the End of the year	<b>2,800</b>	<b>0.001</b>		
<b>4</b>	<b>Mrs. Seema Garg</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	32,17,175	1.149		
	Block deal held on 07.07.2016	-21,15,000	-0.756	11,02,175	0.394
	At the End of the year	<b>11,02,175</b>	<b>0.394</b>		
<b>5</b>	<b>Mr. Vikas Garg</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	<b>5,04,60,355</b>	<b>18.028</b>		
	Block deal held on 07.07.2016	-21,16,500	-0.756	4,83,43,855	17.272
	At the End of the year	<b>4,83,43,855</b>	<b>17.272</b>		
<b>6</b>	<b>Vikas Garg (Sukriti Welfare Trust)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	44,56,550	1.592		
	No Changes	---	---	44,56,550	1.592
	At the End of the year	<b>44,56,550</b>	<b>1.592</b>		
<b>7</b>	<b>Vikas Garg (HUF)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	33,02,750	1.180		
	No Changes	---	---	33,02,750	1.180
	At the End of the year	<b>33,02,750</b>	<b>1.180</b>		
<b>8</b>	<b>Mr. Vivek Garg</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	10,71,550	0.383		
	No Changes	---	---	10,71,550	0.383
	At the End of the year	<b>10,71,550</b>	<b>0.383</b>		
<b>9</b>	<b>Mrs. Usha Garg</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	22,33,000	0.798		
	No Changes	---	---	22,33,000	0.798
	At the End of the year	<b>22,33,000</b>	<b>0.798</b>		
<b>10</b>	<b>Mr. Jai Kumar Garg</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	10,19,750	0.364		

	No Changes	---	---	10,19,750	0.364
	At the End of the year	<b>10,19,750</b>	<b>0.364</b>		
<b>11</b>	<b>Jai Kumar Garg (HUF)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	11,18,500	0.400		
	No Changes	---	---	11,18,500	0.400
	At the End of the year	<b>11,18,500</b>	<b>0.400</b>		
<b>12</b>	<b>Mr. Nand Kishore Garg</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	61,32,775	2.191		
	No Changes	---	---	61,32,775	2.191
	At the End of the year	<b>61,32,775</b>	<b>2.191</b>		
<b>13</b>	<b>Nand Kishore Garg (HUF)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3,37,750	0.121		
	No Changes	---	---	3,37,750	0.121
	At the End of the year	<b>3,37,750</b>	<b>0.121</b>		
<b>14</b>	<b>Mr. Vaibhav Garg</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	5,000	0.002		
	No Changes	---	---	5,000	0.002
	At the End of the year	<b>5,000</b>	<b>0.002</b>		
<b>15</b>	<b>Vikas Multicorp Ltd. (Formerly Moonlite Technochem Pvt. Ltd.)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	4,32,21,141	15.442		
	Block deal held on 07.07.2016	-21,15,001	-0.756	4,11,06,140	14.686
	At the End of the year	<b>4,11,06,140</b>	<b>14.686</b>		



(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>NITIKET INVESTMENTS PVT. LTD.</b>				
	At the beginning of the year	10,00,000	0.036		
	Transactions (Purchase/sale) from 01.04.2016 upto 31.03.2017	3,00,000	0.011	13,00,000	0.046
	At the End of the year (or on the date of separation, if separated during the year)	<b>13,00,000</b>	<b>0.046</b>		
2	<b>DAYA GOYAL</b>				
	At the beginning of the year	21,92,400	0.078		
	Transactions (Purchase/sale) from 01.04.2016 upto 31.03.2017	-7,68,000	-0.027	14,24,400	0.051
	At the End of the year (or on the date of separation, if separated during the year)	<b>14,24,400</b>	<b>0.051</b>		
3	<b>ANIL D GALA</b>				
	At the beginning of the year	NIL	0.000		
	Transactions (Purchase/sale) from 01.04.2016 upto 31.03.2017	49,00,000	0.175	49,00,000	0.175
	At the End of the year (or on the date of separation, if separated during the year)	<b>49,00,000</b>	<b>0.175</b>		
4	<b>MADHAVAN KUNNIYUR</b>				
	At the beginning of the year	NIL	0.000		
	Transactions (Purchase/sale) from 01.04.2016 upto 31.03.2017	35,88,220	0.128	35,88,220	0.128
	At the End of the year (or on the date of separation, if separated during the year)	<b>35,88,220</b>	<b>0.128</b>		
5	<b>JAYANTILAL S . CHHEDA</b>				
	At the beginning of the year	NIL	0.000		
	Transactions (Purchase/sale) from 08.07.2016 upto 15.07.2016	21,16,500	0.076	21,16,500	0.076
	Transactions (Purchase/sale) from 22.07.2016 upto 27.07.2016	10,80,510	0.039	31,97,010	0.114
	At the End of the year (or on the date of separation, if separated during the year)	<b>31,97,010</b>	<b>0.114</b>		
6	<b>SURFACE FINANCE PRIVATE LIMITED</b>				
	At the beginning of the year	24,24,558	0.087		
	No Transactions	--	--	24,24,558	0.087
	At the End of the year (or on the date of separation, if separated during the year)	<b>24,24,558</b>	<b>0.087</b>		
7	<b>HARSHA GOYAL</b>				
	At the beginning of the year	19,35,000	0.069		
	No Transactions	--	--	19,35,000	0.069
	At the End of the year (or on the date of separation, if separated during the year)	<b>19,35,000</b>	<b>0.069</b>		

8	<b>GLOBE CAPITAL MARKET LIMITED</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	98,11,503	0.351		
	Transactions (Purchase/sale) from 01.04.2016 upto 22.04.2016	-19,59,521	-0.070	78,51,982	0.281
	Transactions (Purchase/sale) from 22.04.2016 upto 29.04.2016	28,28,100	0.101	1,06,80,082	0.382
	Transactions (Purchase/sale) from 29.04.2016 upto 06.05.2016	-34,08,483	-0.122	72,71,599	0.260
	Transactions (Purchase/sale) from 06.05.2016 upto 13.05.2016	14,97,405	0.053	87,69,004	0.313
	Transactions (Purchase/sale) from 29.04.2016 upto 20.05.2016	-2,71,946	-0.010	84,97,058	0.304
	Transactions (Purchase/sale) from 20.05.2016 upto 27.05.2016	97,511	0.003	85,94,569	0.307
	Transactions (Purchase/sale) from 27.05.2016 upto 03.06.2016	2,54,237	0.009	88,48,806	0.316
	Transactions (Purchase/sale) from 03.06.2016 upto 10.06.2016	-6,47,231	-0.023	82,01,575	0.293
	Transactions (Purchase/sale) from 17.06.2016 upto 24.06.2016	-10,14,821	-0.036	71,86,754	0.257
	Transactions (Purchase/sale) from 24.06.2016 upto 08.07.2016	4,09,502	0.015	75,96,256	0.271
	Transactions (Purchase/sale) from 08.07.2016 upto 15.07.2016	-1,19,319	-0.004	74,76,937	0.267
	Transactions (Purchase/sale) from 15.07.2016 upto 22.07.2016	-7,00,891	-0.025	67,76,046	0.242
	Transactions (Purchase/sale) from 22.07.2016 upto 29.07.2016	8,74,152	0.031	76,50,198	0.273
	Transactions (Purchase/sale) from 29.07.2017 upto 31.03.2017	-57,79,099	-0.206	18,71,099	0.067
	At the End of the year (or on the date of separation, if separated during the year)	<b>18,71,099</b>	<b>0.067</b>		
9	<b>LUKH RAM GOYAL</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	16,64,308	0.059		
	No Transactions	--	--	16,64,308	0.059
	At the End of the year (or on the date of separation, if separated during the year)	<b>16,64,308</b>	<b>0.059</b>		
10	<b>TRINITY FINSEC PRIVATE LTD</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

At the beginning of the year	NIL	0.000		
Transactions (Purchase/sale) from 01.04.2016 upto 31.03.2017	15,92,230	0.057	15,92,230	0.057
At the End of the year (or on the date of separation, if separated during the year)	<b>15,92,230</b>	<b>0.057</b>		

<i>(V) Shareholding of Directors and Key Managerial Personnel:</i>					
S. No.	Name of the Directors & KMP's	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Mr. Vikas Garg (Managing Director)</b>				
	At the beginning of the year	5,04,60,355	18.028		
	Block deal held on 07.07.2016.	-21,16,500	-0.756	4,83,43,855	17.272
	At the End of the year	<b>4,83,43,855</b>	<b>17.272</b>		
<b>2</b>	<b>Mr. Vivek Garg (Whole-Time Director)</b>				
	At the beginning of the year	10,71,550	0.383		
	No Changes	---	---	10,71,550	0.383
	At the End of the year	<b>10,71,550</b>	<b>0.383</b>		
<b>3</b>	<b>Mr. Ashutosh Kumar Verma (CEO &amp; Whole-Time Director)</b>				
	At the beginning of the year	75,000	0.027		
	No Changes	---	---	75,000	0.027
	At the End of the year	<b>75,000</b>	<b>0.027</b>		
<b>5</b>	<b>Mr. Purushottam Dass Bhoot (Director)</b>				
	At the beginning of the year	40,000	0.014		
	No Changes	---	---	40,000	0.014
	At the End of the year	<b>40,000</b>	<b>0.014</b>		
<b>6</b>	<b>Mr. Sumer Chand Tayal (Director)</b>				
	At the beginning of the year	61,150	0.022		
	Transactions (Purchase/sale) from 01.04.2016 upto 22.04.2016	-3,000	-0.001	58,150	0.021
	Transactions (Purchase/sale) from 22.04.2016 upto 29.04.2016	-500	0.000	57,650	0.021
	Transactions (Purchase/sale) from 29.04.2016 upto 13.05.2016	-500	0.000	57,150	0.020
	Transactions (Purchase/sale) from 13.05.2016 upto 20.05.2016	-1,000	0.000	56,150	0.020

Transactions (Purchase/sale) from 20.05.2016 upto 27.05.2016	600	0.000	56,750	0.020
Transactions (Purchase/sale) from 03.06.2016 upto 10.06.2016	-400	0.000	56,350	0.020
Transactions (Purchase/sale) from 15.07.2016 upto 22.07.2016	-1,500	-0.001	54,850	0.020
Transactions (Purchase/sale) from 22.07.2016 upto 29.07.2016	-1,500	-0.001	53,350	0.019
Transactions (Purchase/sale) from 29.07.2016 upto 31.03.2017	-29,500	-0.011	23,850	0.009
At the End of the year	<b>23,850</b>	<b>0.009</b>		
<b>7 Mr. Pradip Kumar Banerji (Director)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	1,87,500	0.067		
Sold in the Open Market on 24.10.2016.	-2,500	-0.001	1,85,000	0.066
Sold in the Open Market on 25.10.2016.	-2,400	-0.001	1,82,600	0.065
Sold in the Open Market on 26.10.2016.	-2,300	-0.001	1,80,300	0.064
Sold in the Open Market on 28.10.2016.	-2,400	-0.001	1,77,900	0.064
Sold in the Open Market on 01.11.2016	-2,600	-0.001	1,75,300	0.063
Sold in the Open Market on 20.03.2017	-2,400	-0.001	1,72,900	0.062
Sold in the Open Market on 22.03.2017	-2,400	-0.001	1,70,500	0.061
Sold in the Open Market on 23.03.2017	-2,300	-0.001	1,68,200	0.060
Sold in the Open Market on 24.03.2017	-2,200	-0.001	1,66,000	0.059
Sold in the Open Market on 28.03.2017	-2,300	-0.001	1,63,700	0.058
Sold in the Open Market on 27.03.2017	-1,200	0.000	1,62,500	0.058
At the End of the year	<b>1,62,500</b>	<b>0.058</b>		
<b>8 Mr. Jagdish Capoor (Director)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	1,87,500	0.067		
No Changes	---	---	1,87,500	0.067
At the End of the year	<b>1,87,500</b>	<b>0.067</b>		
<b>10 Mr. Manoj Singhal (Director)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	NIL	NIL		
No Changes	---	---		
At the End of the year	<b>NIL</b>	<b>NIL</b>		
<b>11 Mrs. Vibha Mahajan (Director)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

	At the beginning of the year	NIL	NIL		
	No Changes	---	---		
	At the End of the year	<b>NIL</b>	<b>NIL</b>		
<b>13</b>	<b>Mr. Siddharth Agrawal (Company Secretary, Appointed on 23.05.2016)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL		
	No Changes	---	---		
	At the End of the year	<b>NIL</b>	<b>NIL</b>		
<b>14</b>	<b>Mr. Pankaj Kumar Gupta (Chief Financial Officer)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL		
	No Changes	---	---		
	At the End of the year	<b>NIL</b>	<b>NIL</b>		
<b>14</b>	<b>Mrs. Anjavi Pandya (Chief Financial Officer, Appointed on 27.10.2016)</b>	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL		
	No Changes	---	---		
	At the End of the year	<b>NIL</b>	<b>NIL</b>		

#### INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
<b>i) Principal Amount</b>	12,12,23,411	NIL	NIL	12,12,23,411
<b>ii) Interest due but not paid</b>				
<b>iii) Interest accrued but not due</b>				
<b>Total (i+ii+iii)</b>	<b>12,12,23,411</b>	<b>NIL</b>	<b>NIL</b>	<b>12,12,23,411</b>
<b>Change in Indebtedness during the financial year</b>				
<b>* Addition</b>	1,45,40,000			1,45,40,000
<b>* Reduction</b>	2,89,88,965			2,89,88,965
<b>Net Change</b>	-1,44,48,965	NIL	NIL	-1,44,48,965
<b>Indebtedness at the end of the financial year</b>				
<b>i) Principal Amount</b>	10,67,74,446	NIL	NIL	10,67,74,446
<b>ii) Interest due but not paid</b>				
<b>iii) Interest accrued but not due</b>				
<b>Total (i+ii+iii)</b>	<b>10,67,74,446</b>	<b>NIL</b>	<b>NIL</b>	<b>10,67,74,446</b>



**REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S. no.	Particulars of Remuneration	Name of the Directors			Total Amount
		Mr. Vikas Garg (MD)	Mr. Vivek Garg (WTD)	Mr. Ashutosh Kumar Verma (WTD)	
<b>1</b>	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,80,000.00	NIL	20,30,000.00	28,10,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
<b>2</b>	Stock Option	-	-	-	-
<b>3</b>	Sweat Equity	-	-	-	-
<b>4</b>	Commission - as % of profit - others, specify...	-	-	-	-
<b>5</b>	Others, please specify	-	-	-	-
	Total (A)	7,80,000.00	NIL	20,30,000.00	28,10,000.00
	Ceiling as per the Act				

**Remuneration to other directors:**

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Jagdish Capoor (Independent Director)	Mr. Sumer Chand Tayal (Independent Director)	Mr. Pradip Kumar Banerji (Independent Director)	Mr. P D Bhoot (Independent Director)	
<b>1</b>	Independent Directors					
	Fee for attending board committee meetings	40,000	1,00,000	20,000	1,20,000	2,80,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
<b>2</b>	Other Non-Executive Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	40,000	1,00,000	20,000	1,20,000	2,80,000
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

**REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

S. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Pankaj Kumar Gupta, Chief Financial Officer	Mrs. Anjavi Pandya, Chief Financial Officer	Mr. Siddharth Agrawal, Company Secretary	
<b>1</b>	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,24,180	8,10,000	3,50,703	14,84,883
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
<b>2</b>	Stock Option	-	-	-	-
<b>3</b>	Sweat Equity	-	-	-	-
<b>4</b>	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
<b>5</b>	Others, please specify	-	-	-	-
	Total	3,24,180	8,10,000	3,50,703	14,84,883

Mr. Pankaj Kumar Gupta has resigned on 27.10.2017.  
Mrs. Anjavi Kumar Pandya has appointed as CFO on 27.10.2017.

**PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:** NONE

**For and on behalf of Board of Directors**

**Sumer Chand Tayal**  
**(Director)**  
**DIN: 00255661**

**Vikas Garg**  
**Managing Director**  
**DIN: 00255413**

**Place: New Delhi**  
**Date: 11.08.2017**

## ANNEXURE TO DIRECTORS' REPORT

### DISCLOSURE ON MANAGERIAL REMUNERATION PURSUANT TO SECTION 197 READ WITH RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase during the financial year, ratio of remuneration of Directors to the Median remuneration of employees and comparison of remuneration of each KMP against Company's standalone performance:

Title	Remuneration in F.Y. 2016-17 (Rs. In Lacs)	Remuneration in F.Y. 2015-16 (Rs. In Lacs)	No. of Stock options/RSUs granted in F.Y. 2016-17	% increase of remuneration in 2016-17 as compared to 2015-16	Excl. MP	Incl. MP	Ratio of remuneration to	
					Ratio of remuneration to MRE	Ratio of remuneration to MRE and MP	Revenues (F.Y. 2016-17)	Net Profit (F.Y. 2016-17)
Whole-Time Director and CEO	17.07	16.8	-	1.61%	7.9	7.35	0.05%	0.74%
Director	-	-	-	-	-	-	0.00%	0.00%
Chief Financial Officer	14.54	5.8	-	150.69%	6.73	6.26	0.04%	0.63%
Managing Director	7.14	6	-	19.00%	3.3	3.08	0.02%	0.31%
Company Secretary	3.85	7.21	-	-46.60%	1.78	1.66	0.01%	0.17%

The Median Remuneration of Employees (MRE) excluding Managerial Personnel (MP) was Rs. 2,16,067/- and Rs. 2,22,542/- in F.Y. 2016-17 and F.Y. 2015-16 respectively. The decrease in MRE (excluding MP) in F.Y. 2016-17, as compared to F.Y. 2015-16 is 2.91%.

The Median Remuneration of Employees (MRE) including Managerial Personnel (MP) was Rs. 2,32,099/- and Rs. 2,31,823/- in F.Y. 2016-17 and F.Y. 2015-16 respectively. The increase in MRE (including MP) in F.Y. 2016-17, as compared to F.Y. 2015-16 is 0.12%.

The number of permanent employees on the rolls of the Company as of March 31, 2017 and March 31, 2016 was 137 and 87 respectively.

**Sumer Chand Tayal**  
(Director)  
DIN: 00255661

**Vikas Garg**  
(Managing Director)  
DIN: 00255413

Place: New Delhi  
Date: 11.08.2017

## FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

NONE, DURING THE REPORTING PERIOD, ALL TRANSACTIONS WERE AT ARM'S LENGTH BASIS

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transaction	Not Applicable
c)	Duration of the contracts/arrangements/transaction	Not Applicable
d)	Salient terms of the contracts or arrangements or transaction	Not Applicable
e)	Justification for entering into such contracts or arrangements or	Not Applicable
f)	Date of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Not Applicable
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable

**2. Details of material contracts or arrangements or transactions at Arm's length basis.**

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	There are no material contracts/arrangements entered into by the Company.
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

\*Details of other related party transactions are forming part of Notes to financial statements, refer note no. 42.

**Balance Sheet as at 31st March 2017**

₹ in rupees

	Note No.	As at 31st March 2017	As at 31st March 2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
Share capital	2	27,98,99,675	25,42,39,675
Reserves and surplus	3	1,03,35,38,264	40,81,98,910
Money received against share warrants			
		1,31,34,37,939	<b>66,24,38,585</b>
<b>Share application money pending allotment</b>			
<b>Non-current liabilities</b>			
Long-term borrowings	4	8,02,60,036	9,70,80,604
Deferred tax liabilities (Net)	5	-	-
Other long term liabilities	6	27,36,763	8,75,622
Long-term provisions		-	-
		8,29,96,799	<b>9,79,56,226</b>
<b>Current liabilities</b>			
Short-term borrowings	7	99,92,43,351	81,47,20,370
Trade payables	8	42,52,65,739	44,89,41,279
Other current liabilities	9	7,09,31,284	10,51,47,892
Short-term provisions	10	16,19,85,711	14,77,52,520
		<b>1,65,74,26,086</b>	<b>1,51,65,62,061</b>
<b>TOTAL</b>		<b>3,05,38,60,823</b>	<b>2,27,69,56,872</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	11		
Tangible assets		27,45,88,583	27,90,26,018
Intangible assets			
Capital work-in-Progress			
Intangible assets under development			
Non-current investments	12	4,17,051	3,86,179
Deferred tax assets (net)	5	2,17,97,174	17,14,757
Long-term loans and advances		-	-
Other non-current assets	13	36,58,657	18,87,674
		30,04,61,465	<b>28,30,14,628</b>
<b>Current assets</b>			
Current investments			
Inventories	14	56,64,13,825	37,54,55,547
Trade receivables	15	1,51,59,53,160	1,40,63,62,596
Cash and cash equivalents	16	19,32,00,164	4,40,74,170
Short-term loans and advances	17	37,76,79,411	9,56,74,000
Other current assets	18	10,01,52,799	7,23,75,931
		<b>2,75,33,99,358</b>	<b>1,99,39,42,244</b>
<b>TOTAL</b>		<b>3,05,38,60,823</b>	<b>2,27,69,56,872</b>

NOTES TO ACCOUNTS: forming part of Financial Statement 1 – 51

As per our report of even date attached

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

**FOR KSMC AND ASSOCIATES**

Chartered Accountants  
(FRN: 003565N)

For and on behalf of the Board of Directors

CA.PRASHANT CHANNA  
PARTNER  
Membership No.: 530041

VIKAS GARG  
(MANAGING DIRECTOR)  
00255413

SUMER CHAND TAYAL  
(DIRECTOR)  
00255661

Place: NEW DELHI  
Date: 29.05.2017

SIDDHARTH AGRAWAL  
(COMPANY SECRETARY)

ASHUTOSH KUMAR VERMA  
(CHIEF EXECUTIVE OFFICER)

ANJAVI PANDYA  
(CHIEF FINANCIAL OFFICER)



**Statement of Profit and loss for the year ended 31st March 2017**

₹ in rupees

	Note No.	As at 31st March 2017	As at 31st March 2016
<b>Revenue</b>			
Revenue from operations	19	3,87,64,57,323	3,23,45,49,617
Less: Excise duty		(16,28,55,910)	(16,30,29,478)
<b>Net Sales</b>		<b>3,71,36,01,413</b>	<b>3,07,15,20,140</b>
Other income	20	1,66,92,842	4,83,09,132
<b>Total revenue</b>		<b>3,73,02,94,255</b>	<b>3,11,98,29,272</b>
<b>Expenses</b>			
Cost of material Consumed	21	1,99,51,51,255	1,72,93,91,614
Purchase of stock-in-trade	22	76,08,82,265	66,74,28,985
Changes in inventories	23	3,02,95,454	(2,45,16,179)
Employee benefit expenses	24	5,25,56,398	3,31,01,091
Finance costs	25	13,00,80,452	11,36,27,852
Depreciation and amortization expenses	26	4,26,67,371	3,37,07,715
Other expenses	27	19,88,38,297	17,61,32,918
<b>Total expenses</b>		<b>3,21,04,71,492</b>	<b>2,72,88,73,997</b>
<b>Profit before exceptional, extraordinary and prior period items and tax</b>		<b>51,98,22,763</b>	<b>39,09,55,275</b>
Exceptional items			
<b>Profit before extraordinary and prior period items and tax</b>		<b>51,98,22,763</b>	<b>39,09,55,275</b>
Extraordinary items		16,31,07,919	
Prior period item (Income)/Expenses		94,499	(16,11,579)
<b>Profit before tax</b>		<b>35,66,20,345</b>	<b>39,25,66,854</b>
<b>Tax expenses</b>			
Current tax		14,50,00,000	13,24,36,448
Mat Credit Availed		-	27,24,857
Deferred tax		(2,00,82,417)	(17,83,319)
Excess/short provision relating earlier year tax			38,46,649
<b>Profit(Loss) for the period from continuing operations</b>		<b>23,17,02,762</b>	<b>25,53,42,219</b>
Profit(Loss) from discontinuing operations			
Tax expenses of discontinuing operations			
<b>Profit(Loss) from discontinuing operations(after tax)</b>			
<b>Profit(Loss) for the period</b>		<b>23,17,02,762</b>	<b>25,53,42,219</b>
Share earnings From Partnership Firm		-	-
<b>Profit(Loss) for the period</b>		<b>23,17,02,762</b>	<b>25,53,42,219</b>
<b>Earnings per share</b>			
<b>Basic (weighted Average)</b>	<b>43</b>	<b>0.91</b>	<b>1.00</b>
<b>Diluted</b>	<b>43</b>	<b>0.91</b>	<b>1.00</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	<b>1</b>		

NOTES TO ACCOUNTS: forming part of Financial Statement 1 – 51  
As per our report of even date attached

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

FOR KSMC AND ASSOCIATES  
Chartered Accountants  
(FRN: 003565N)

For and on behalf of the Board of Directors

CA.PRASHANT CHANNA  
PARTNER  
Membership No.: 530041

VIKAS GARG  
(MANAGING DIRECTOR)  
00255413

SUMER CHAND TAYAL  
(DIRECTOR)  
00255661

Place: NEW DELHI  
Date: 29.05.2017

SIDDHARTH AGRAWAL  
(COMPANY SECRETARY)

ASHUTOSH KUMAR VERMA  
(CHIEF EXECUTIVE OFFICER)

ANJAVI PANDYA  
(CHIEF FINANCIAL OFFICER)

<b>CASHFLOW STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH 2017</b>		
<b>PARTICULARS</b>	<b>FOR THE PERIOD ENDED ON 31-03-17</b>	<b>FOR THE PERIOD ENDED ON 31-03-16</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit (loss) after extraordinary items and Tax	35,66,20,345	39,25,66,854
Adjustments for:		
Depreciation	4,26,67,371	3,37,07,715
Loss on fire (Fixed Assets)	5,65,58,131	-
Debit Balance of Fixed Assets Balance W/off	-	18,00,150
Amortization	-	-
Esop	-	(1,05,03,337)
Interest expenses	13,00,80,452	11,33,53,541
Profit on sale of Investment	-	-
Profit on sale of Tangible Asset	(8,31,116)	13,808
Interest on current investments	(42,01,269)	(33,01,543)
<b>Operating Profit (Loss) before working capital changes</b>	<b>58,08,93,915</b>	<b>52,76,37,188</b>
Adjustments for:		
(Increase)/Decrease in inventories	(19,09,58,278)	(9,64,94,906)
(Increase)/Decrease in trade receivables	(10,95,90,564)	(65,88,14,652)
(Increase)/Decrease in other current assets	(2,77,76,868)	14,55,416
(Increase)/Decrease in loans and advances	(28,20,05,411)	(34,58,412)
Increase/(Decrease) in trade payables	(2,36,75,540)	13,45,69,806
Increase/(Decrease) in other liabilities	(3,42,16,608)	8,02,18,625
Increase/(Decrease) in provisions	77,78,535	(19,876)
<b>Cash generated from operations</b>	<b>(7,95,50,819)</b>	<b>(1,49,06,811)</b>
Direct taxes (paid)/refunded	(12,00,86,448)	(2,65,07,360)
<b>Net Cash flow from (used) in operating activities</b>	<b>(19,96,37,267)</b>	<b>(4,14,14,171)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of tangible fixed assets	(9,61,66,949)	(10,48,05,996)
Sale of tangible fixed assets	22,10,000	4,65,300
Other interest received	42,01,269	33,01,543
Long term loans and advances	(17,70,983)	16,37,859
Other Non-current activities net	(2,01,13,289)	(17,45,890)
<b>Net cash flow from (used) in investing activities</b>	<b>(11,16,39,951)</b>	<b>(10,11,47,184)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from short term borrowings	18,45,22,981	22,77,35,074
Repayment Long term borrowings	(1,68,20,568)	2,22,61,563
Interest Paid on bank borrowings	(13,00,80,452)	(11,33,53,541)
Proceeds from Issue of Equity Shares	43,62,20,000	-
Other Long-term liabilities	18,61,141	(7,93,063)
Dividend paid	(1,27,11,983.75)	(1,27,11,984)
Dividend distribution tax paid on equity shares	(25,87,906.00)	(24,26,119)
<b>Net cash flow from (used) in financing activities</b>	<b>46,04,03,212</b>	<b>12,07,11,929</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>14,91,25,994</b>	<b>(2,18,49,426)</b>
Cash and Cash Equivalents at the beginning of the year	4,40,74,170	6,58,37,193
Cash and Cash Equivalents at the end of the year	19,32,00,164	4,40,74,170

The accompanying notes including other explanatory information form an integral part of the financial statements

As per our report of even date attached

FOR KSMC AND ASSOCIATES  
Chartered Accountants  
(FRN: 003565N)

For and on behalf of the Board of Directors

CA.PRASHANT CHANNA  
PARTNER  
Membership No.: 530041

VIKAS GARG  
(MANAGING DIRECTOR)  
00255413

SUMER CHAND TAYAL  
(DIRECTOR)  
00255661

Place: NEW DELHI  
Date: 29.05.2017

SIDDHARTH AGRAWAL  
(COMPANY SECRETARY)

ASHUTOSH KUMAR VERMA  
(CHIEF EXECUTIVE OFFICER)

ANJAVI PANDYA  
(CHIEF FINANCIAL OFFICER)

**Note No 1:**

**Background and Nature of Operations**

Vikas Ecotech Limited (VEL) is a Delhi based professionally managed Company incorporated on 30<sup>th</sup> November, 1984 under the Companies Act, 1956, having its registered office at Vikas Apartments, 34/1, East Punjabi Bagh, New Delhi – 110 026 and is listed on National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE).

Vikas Ecotech is an emerging player in the global arena engaged in the business of High-end specialty chemicals. It's an integrated, multi-specialty product solutions company, producing a wide variety of superior quality, eco-friendly additives and rubber-plastic compounds. Its additives and rubber-plastic compounds are process-critical and value-enabling ingredients used to manufacture a varied cross-section of high-performance, environment-friendly and safety-critical products. From agriculture to automotive, cables to electricals, hygiene to healthcare, polymers to packaging, textiles to footwear, the company's products serve a diverse range of global industry needs. Company has its manufacturing plants in the state of Rajasthan, Jammu and Kashmir and Delhi. Also, the company has commenced construction of a new State-of-the-art Plant & Innovation Center at Dahej in Gujarat to cater to Export and Western Indian markets.

**Summary of Significant Accounting Policies**

The significant accounting policies adopted by the Company, in respect of the financial statements are set out below.

**a) Basis of Presentation:** These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 & other relevant provisions of the Companies Act, 2013 & guidelines issued by the SEBI. The accountings policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard require a change in the accounting policy hitherto in use.

**b) Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Hence, the differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

**c) Inventories:**

- i) Raw Material/Trading is valued at lower of cost OR net realizable value.
- ii) Finished products are valued at lower of cost OR net realizable value, cost of conversion & other cost incurred in bringing the goods to their present location & condition.
- iii) Packing Material, stores & spares parts are valued at lower of cost and net realizable value.
- iv) Inventory on construction activities has been valued at cost incurred.
- v) Obsolescence: Obsolete, slow moving & defective inventories are identified at the time of physical verification of inventories & wherever necessary provision is made for such inventories.
- vi) Shortage / Excess of Packing Material, Stores & spares parts and finish goods arising from physical verification are charged/adjusted to consumption/production.

**d) Prior Period Items:**

Significant items of Income and Expenditure which relates to prior accounting period are accounted in the statement of profit and loss under the head "prior period expenses / income" other than those occasioned by events occurring during or after the close of the year and which are treated as relatable to the current year.

**e) Fixed Assets, Impairment:** Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment of losses if any. The Company capitalizes all direct costs relating to the acquisition and installation of fixed assets. Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready to use before such date are disclosed under 'Capital Advances'.

**f) Depreciation and Amortization:**

- Depreciation on tangible asset is provided on Written Down Value Method (WDV) over the useful lives of assets as per schedule II of Companies Act, 2013. Depreciation on asset purchased/sold during the period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on Straight Line Basis, commencing from the date the asset is available to the Company for its use. The management estimates the useful lives for the fixed assets as follow:

○ Building Office	60 Years
○ Building Factory	30 Years
○ Plant and Machinery	15 Years

○ Office Equipment	5 Years
○ Furniture and fixture	10 Years
○ Electricity Fitting and Installation	10 Years
○ Vehicles	
▪ Motor cycles, scooters	10 Years
▪ Motor cars	8 Years
○ Computers	3 Years
○ Lease Hold Land	Remaining useful live As per lease agreement

Depreciation and amortization methods, useful lives and residual values are reviewed predictably including at each financial year end.

**g) Impairment:**

At each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account. If, at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the reassessed recoverable amount. Impairment losses previously recognized are accordingly reversed.

**h) Investments:** Investments are classified as long term or current investments. Long term investments are stated at cost and provision for diminution in their value, other than temporary, is recorded in the books of account. Current investments are stated at the lower of cost or fair value. 100 % Provision has been made in case the realizable value is uncertain.

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

**Sale of goods:** - Revenue from sale of goods is recognized when significant risks and rewards of ownership of goods are transferred to the customers. Sales are net of sales return, free quantities delivered and trade discounts.

**Interest:** - Interest income from deposits and others is recognized on accrual basis (i.e. time proportion basis).

**Construction Contract:-**The Company follows percentage completion method of accounting in respect of its construction activity. Under this method, the profit on unit sold is recognized on the basis of percentage of work completed which is determined on technical estimations.

**Profit on sale of Investment:** - Profit on sale of investment is recognized on the date of transaction of sale and is computed with reference to the cost of investments.

**Other Revenue Receipts:** - Other revenue receipts are recognized on accrual basis (i.e. time proportion basis).

**j) Borrowing Costs:** Borrowing costs attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue in the year in which they are incurred.

**k) Earnings per Share:** Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders 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 such as preferential shares, ESOP, share warrants, share application money etc.

**l) Operating Leases:** Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as an expense on a straight-line basis over the lease term in accordance with Accounting Standard 19 (AS 19) - Leases as notified under the Companies (Accounting Standards) Rules, 2006, as amended.

**m) Cash & Cash Equivalent:** Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. It also includes deposits with Bank held as margin money.

**n) Cash Flow Statement:** Cash Flows are reported using indirect method, whereby profit before tax is adjusted for efforts of transactions of non cash nature and any deferral or accruals of any past or future cash receipts or payments. The Cash Flows from regular revenue generating, financing and investing activity of the Company segregated.

**o) Employees' Retirement Benefits:**

**Short Term Employee Benefits:**

Short Term Employee Benefits are recognized as Expenditure in the profit and loss accounts of the year in which the related services are rendered.

**Post Employment Benefits:**

Defined Contribution Plans: - Contribution payable by the Company to the Central Government authorities in respect of Provident fund, Family Pension fund and Employee State Insurance are defined plans. These contributions are recognized as expenses in the statement of Profit and Loss during the period in which the employee renders the related services. The Company does not have any further obligation in this respect beyond such contribution.

**Defined Benefit Plans:**

The Company provides for gratuity the liability with regard to gratuity plan are determine by Actuarial Valuation, performed by an independent Actuary at each balance sheet date. Gratuity are covered under the Gratuity Policy respectively, of Life Insurance Corporation of India (LIC).The Present Value of the Obligation is determined by using projected unit Credit method. Actuarial Gains and Loss rising on such valuation are recognized immediately in the profit and loss account.

p) **Taxes on Income:** Tax expense comprises of current tax and deferred tax.

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act 1961. Deferred income taxes are recognized for the future tax consequences attributable to timing differences between the financial statement income and taxable income for the year. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred Tax Assets are recognized and carried forward only to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Unrecognized deferred tax assets of earlier periods are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which deferred tax assets can be realized.

q) **Provisions, Contingent Liabilities and Contingent Assets:** Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made. Provisions are not discounted to its present value and are determined based on management 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 management estimates. Contingent liability is disclosed for:

- i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or,
- ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets are neither recognized in the financial statements since this may result in the recognition of income that may never be realized.

r) **Foreign Currency Transactions:**

Initial Recognition: Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction to the foreign currency amount.

- i). Conversion : Foreign currency monetary items are converted to reporting currency using the closing rate. Non monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency is reported using the exchange rates that existed when the values were determined.
- ii). Exchange Differences: Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded, are recognized as income or expense in the year in which they arise except those arising from investments in non-integral operations.
- iii). Forward Exchange Contract: In case of forward Exchange contract, difference between the forward rates and the exchange rate on the date of transaction is recognized as expenses or income over the life of the contract. Exchange difference on such contract is recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or expenses for the year.

s) **Government Grants:**

Government grants are recognized when there is reasonable assurance that the group will comply with the condition attaching to them and grants will be received. Revenue grants are recognized in the statement of Profit and loss account.



Capital grants relating to Specific Fixed Assets are reduced from gross value of respectively fixed assets and other grant are credited to capital reserve account.

**t) Claims for Loss/Damages:**

Claims for loss/damages are accounted for as and when same are approved by the concerned authority/department on the basis of principle of virtual certainty regarding its recoverability/realization.

Note No. 2 Share Capital

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
Authorised :		
320000000 Equity shares of Rs. 1/- par value	32,00,00,000	26,00,00,000
Issued :		
279899675 Equity shares of Rs. 1/- par value	27,98,99,675	25,42,39,675
Subscribed and paid-up :		
279899675 Equity shares of Rs. 1/- par value	27,98,99,675	25,42,39,675
Total	27,98,99,675	25,42,39,675

Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity shares

₹ in rupees

	As at 31st March 2017		As at 31st March 2016	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	25,42,39,675	25,42,39,675	25,42,39,675	25,42,39,675
Issued during the Period (Preferential Allotment)	2,56,60,000	2,56,60,000	-	-
Redeemed or bought back during the period	-	-	-	-
Outstanding at end of the period	27,98,99,675	27,98,99,675	25,42,39,675	25,42,39,675

Details of Shareholders holding shares more than 5% shareholding

PARTICULARS	As at 31st March 2017		As at 31st March 2016	
	No of Shares	%	No of Shares	%
Vikas Garg	4,83,43,855	17.27%	5,03,62,250	19.81%
Vikas Multicorp Limited (formerly known as Moonlite Technochem Pvt Ltd)	4,11,06,140	14.69%	4,32,21,141	17.00%
Athena Multitrade Pvt. Ltd.	-	-	2,04,31,500	8.04%
Jayanti Shamji Chedda HUF	2,00,00,000	7.15%	-	-

Right, Preferences and Restriction attached to Shares

Equity Shares

The Company has only one class of Equity having a par value Rs. 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Preferential Equity Allotment

In accordance with the provision of sec. 39 of the Companies Act 2013 read together with the Companies (Prospectus and allotment of securities) Rules, 2014 and pursuant to the letter of offer for issuance of shares and approval of the company, the Company has issued 2,56,60,000 shares as preferential Equity shares of Rs 1/- per equity share at a premium of Rs. 16/- per share during the current financial year.

The following is the List of Persons to whom such preferential equity shares are issued.

Sr. No.	Name of Applicant	Number of Equity Shares Issued
1	Jayant Shamji Chheda HUF	2,00,00,000
2	B D Bansal HUF	5,00,000
3	Deepak Bansal	3,00,000
4	Naresh Chander Garg	4,20,000
5	Suresh Chand Garg	4,20,000
6	Renu Garg	3,50,000
7	Saneh Garg	3,50,000
8	Laxmi Devi Garg	1,20,000
9	Priya Mittal	32,00,000
	<b>Total</b>	<b>2,56,60,000</b>

**NOTE :3 RESERVE & SURPLUS**

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
<b>Capital Reserves *</b>		
Opening Balance	9,65,934	9,65,934
Add: Addition during the year	-	-
Less: Deletion during the year	-	-
Closing Balance	9,65,934	9,65,934
<b>Securities Premium Account</b>		
Opening Balance	-	-
Add: Addition during the year	41,05,60,000	-
Less: Deletion during the year	-	-
Closing Balance	41,05,60,000	-
<b>General Reserve</b>		
Opening Balance	16,49,94,432	14,71,20,475
Add: Addition during the year	1,62,19,193	1,78,73,954
Less: Deletion during the year	-	-
- Bonus Shares	-	-
- Reversal of Fixed Assets Expired Useful Life	-	-
Closing Balance	<b>18,12,13,625</b>	<b>16,49,94,429</b>
<b>Profit and Loss Account</b>		
Opening As Per Last Balance Sheet	24,22,38,547	2,00,70,173
Add: Addition during the year	23,17,02,762	25,53,42,219
Less: Profit appropriation to	-	-
- Dividend Proposed	(1,39,94,984)	(1,27,11,984)
- Dividend Distribution Tax	(29,28,427)	(25,87,906)
- Transfer to General Reserve	(1,62,19,193)	(1,78,73,954)
Closing Balance	<b>44,07,98,705</b>	<b>24,22,38,547</b>
<b>Employee Stock Option Reserve</b>	-	1,05,03,337
Less:- Written off/Transfer	-	(1,05,03,337)
Closing Balance	-	-
<b>Balance Carried forward to Balance Sheet</b>	<b>1,03,35,38,264</b>	<b>40,81,98,910</b>

\*Kindly refer Note No 37 of Note provide the details of the Capital Reserve

Particulars	As at 31st March 2017			As at 31st March 2016		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
<b>(a) Term loans from banks</b>						
<b>Loan taken for vehicles secured</b>						
HDFC - Vehicle Loan (Agreement No 24353585 )	-	-	-	-	45,066	45,066
HDFC - Volvo Loan (Account No 38982281)	25,59,462	21,43,667	47,03,129	-	-	-
ICICI- Jaguar Loan (Account No 00035146099)	38,82,834	19,71,026	58,53,860	-	-	-
Toyota Financial Services India Ltd.-Innova Loan (A/c No. NDEL1085441)	12,92,961	2,91,539	15,84,500	-	-	-
ICICI Loan No.- LADEL00026874591	-	-	-	-	2,11,315	2,11,315
<b>Loan taken for Business secured</b>						
ICICI Loan No.- LADEL00002038205 (in the name of Sigma Plastic Industries)	3,56,31,135	40,63,575	3,96,94,710	3,96,94,710	36,06,217	4,33,00,927
<b>Loan taken for fixed assets secured</b>						
OBC TL – 08767025002281	2,52,11,644	90,52,992	3,42,64,636	3,52,60,747	98,40,209	4,51,00,956
OBC TL – 11167015000461	-	40,23,611	40,23,611	47,92,386	50,40,000	98,32,386
OBC TL – 08767025001865	1,16,82,000	49,68,000	1,66,50,000	1,73,32,761	54,00,000	2,27,32,761
<b>Total</b>	<b>8,02,60,036</b>	<b>2,65,14,410</b>	<b>10,67,74,446</b>	<b>9,70,80,604</b>	<b>2,41,42,807</b>	<b>12,12,23,411</b>
The Above Amount Includes						
Secured Borrowings	8,02,60,036	2,65,14,410	10,67,74,446	9,70,80,604	2,41,42,807	12,12,23,411
Amount Disclosed Under the Head " Other Current Liabilities" (Note:- )		(2,65,14,410)	(2,65,14,410)		(2,41,42,807)	(2,41,42,807)
<b>Total</b>	<b>8,02,60,036</b>	<b>-</b>	<b>8,02,60,036</b>	<b>9,70,80,604</b>	<b>-</b>	<b>9,70,80,604</b>

HDFC-Vehicle Loan Agreement No 38982281 was taken during 2016 year and carries interest @ 9.4% per annum. The Loan is repayable in 36 instalments of Rs. 2,07,805/- each along with interest from the date of Loan. The loan is secured by hypothecation of car of the Company.

HDFC-Vehicle Loan Agreement No 24353585 was taken during 2013 year and carries interest @ 15.65% per annum. The Loan is repayable in 36 instalments of Rs. 22,837/ = each along with interest from the date of Loan .The loan is secured by hypothecation of car of the Company. This Loan has been discharged completely during the year under consideration.

ICICI Loan No-LADEL 00026874591 was taken during 2013 year and carries interest @ 9.09 % per annum. The Loan is repayable in 36 instalments of Rs.1,11,450 each along with interest from the date of Loan .The loan is secured by hypothecation of car of the Company. This Loan has been discharged completely during the year under consideration.

ICICI Loan No-LA DEL 00035146099 was taken during 2016 year and carries interest @ 9.10% per annum. The Loan is repayable in 36 instalments of Rs. 2,01,906/- each along with interest from the date of Loan. The loan is secured by hypothecation of car of the Company.

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Toyota Financial Services India Ltd - NDEL1085441 was taken during 2016 year and carries interest @ 9.24% per annum. The Loan is repayable in 60 instalments of Rs. 35,496/- each along with interest from the date of Loan. The loan is secured by hypothecation of car of the Company.

Term Loan III-11167015000461 (Oriental Bank of Commerce) Closing balance limits Rs. 40.24 Lacs. The Term Loan is secured on the Plant and Machinery and Land and Building located at G-24-29 & 30, RIICO Industrial Area, Vigyan Nagar, Shahjahanpur, Dist. Alwar, Rajasthan owned by Vikas Ecotech Limited. The rate of interest shall be BR+2%+0.5%. The Period of Maturity from the Balance Sheet date is 7 months.

Term Loan IV-8767025001865 (Oriental Bank of Commerce) Closing balance limits Rs. 166.50 Lacs . The Term Loan is secured on the 1st exclusive charge by way of hypothecation on plant & machinery financed by OBC. The rate of interest shall be BR+2%+.5%. The Period of Maturity from the Balance Sheet date is 36 months.

Term Loan V-8767025002281 (Oriental Bank of Commerce) Closing balance limits Rs. 342.65 Lacs. The Term Loan is secured on the 1<sup>st</sup> exclusive charge by way of hypothecation on plant & machinery and construction of Building financed by OBC. The rate of interest shall be BR+2%+.5%. The Period of Maturity from the Balance Sheet date is 42 months.

ICICI Bank Loan No .LADEL 00002038205: By virtue of acquisition of remaining share in Sigma Plastic Industries ,the Loan (Firm has taken term loan from ICICI Bank of Rs.500 Lacs repayable in 120 EMI of Rs 717355/-each on 12<sup>th</sup> Nov 2013 ,this is secured against house No-10, Road No-4 East Punjabi Bagh New Delhi ,the property in the name of the directors of the Company) become the part of capital structure of the Company and The Loan is in the process of transferring the name of the borrower from Sigma Plastic Industries to Vikas Global one Limited and has not been transferred in the name of Company as on Balance Sheet Date.

**Note No .5 Deferred Tax**

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
Deferred tax liability		
Deferred tax liability depreciation	-	-
Gross deferred tax liability	-	-
Deferred tax Asset depreciation	2,17,97,174	17,14,757
<b>Net deferred tax Assets</b>	<b>2,17,97,174</b>	<b>17,14,757</b>

₹ in rupees

**Note No. 6 Other Long Term Liabilities**

Particulars	As at 31st March 2017	As at 31st March 2016
Other Payables		
Provision For Gratuity (Long Term Portion)	27,36,763	8,75,622
	27,36,763	8,75,622
<b>Total</b>	<b>27,36,763</b>	<b>8,75,622</b>

**Note No. 7 Short Term Borrowings**

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
<b>Secured</b>		
Loans Repayable on Demands - From Banks		
<b>Cash Credit Limits</b>		
Cash Credit Bank of Baroda	10,20,44,985	23,72,76,415
Cash Credit DBS	(7,42,46,777)	-
Cash Credit Oriental Bank Of Commerce	36,90,82,767	27,95,39,571
Cash Credit Punjab National Bank	7,67,84,460	-
<b>PCFC &amp; FCBRD Limits</b>		
PCFC & FCBRD Bank of Baroda	5,60,88,065	10,97,28,142
PCFC & FCBRD DBS	13,84,29,209	-
PCFC & FCBRD Oriental Bank Of Commerce	26,14,09,063	18,81,76,242
PCFC & FCBRD Punjab National Bank	6,96,51,579	-
<b>Total</b>	<b>99,92,43,351</b>	<b>81,47,20,370</b>

**CASH CREDIT**

Company is availing working capital limits under consortium of Oriental Bank of Commerce, Bank of Baroda, Punjab National Bank & Development bank of Singapore with Oriental Bank of commerce as lead banker in consortium and others banks are member bank.

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The Company is availing a cash credit (Hypo) limit of Rs.6120/- Lacs which include PCFC Limit of RS 2880/- Lacs from Oriental Bank of Commerce against Hypothecation of stock, receivable, advance to suppliers and other current assets on pari passu basis with consortium members. No DP against stock and Book debts exceeding 180 days to be allowed. Margins 20% and the rate of interest is Bank MCLR + 2% which at present is 11.60% p.a. Further the Company is also availing LC / DA / DP basis non Fund Based Limit of Rs.2,760 Lacs (which includes both side inter change ability LC to CC for Rs.1,000 Lacs) for procurement of Raw Material and spares. Cash Margins is 15% in the shape of FDR on LC limits. The proposal of renewal cum enhancement is under process with Oriental Bank of Commerce as on Balance Sheet Date.

The Company is also availing Cash Credit limit of Rs.1,550/- Lacs from Bank of Baroda with a sublimit of PC / PCFC / FBP / FBD of Rs. 575 Lacs under the same Cash Credit limit. The limit is secured by way of hypothecation of stock, receivables & other current assets on pari passu basis with consortium members. DP shall be permitted against receivable upto 180 days. Margin is 20% & Rate of interest is MCLR+SP+1.85% which is present 11.50%. Further the Company is availing Non Fund Based LC (Import /Inland / DP / DA / BG, Buyers Credit) limits of Rs.650 Lacs for procurement of raw material and spares. Cash Margin is 15% in the shape of FDR on LC limits.

The Company is also availing Cash Credit limit of Rs.1,530/- Lacs from Punjab National Bank with a sub limit of PC / PCFC/ FBP / FBD of Rs. 720/- Lacs under the same Cash Credit limit. The limit is secured by way of hypothecation of stock, receivables & other current assets on pari passu basis with consortium members. DP shall be permitted against receivable upto 180 days. Margin is 20 % & Rate of interest is BR +2.75% which is present 12.35 %. Further the Company is availing Non Fund Based LC (Import /Inland /DP /DA /BG, Buyers Credit) limits of Rs.690 Lacs for procurement of raw material and spares. Cash Margin is 15% in the shape of FDR.

The Company is also availing Cash Credit limit of Rs.1,000/- Lacs from Development Bank of Singapore with a sub limit of PC / PCFC / FBP / FBD of Rs. 500/- Lacs under the same Cash Credit limit. The limit is secured by way of hypothecation of stock, receivables & other current assets on pari passu basis with consortium members. DP shall be permitted against receivable upto 180 days. Margin is 20% & Rate of interest is MCLR +1.35% which is present 10.5%. Further the Company is availing Non Fund Based LC (Import /Inland /DP/ DA/ BG, Buyers Credit) limits of Rs. 500/- (which includes both side inter change ability C to CC for Rs.500 Lacs ) for procurement of raw material and spares .Cash Margin is 15% in the shape of FDR

**Further the limit is secured on following Collateral Properties:**

- 1) Property bearing Khasra No.14/5/2 6min, 15/1/2, 9/2 &10 min Vill Ghevra, Near Mundka Railway Crossing, Delhi owned by Ms. Seema Garg and Ms. Namita Garg.
- 2) Roof right of Property 34/1, Vikas Apartments, East Punjabi Bagh, New Delhi owned by Company.
- 3) Industrial property at Industrial Growth Centre, Phase1, Dist. Samba, J&K owned by Company.
- 4) Land & building situated at Industrial Growth Centre, Phase-1, Dist. Samba, J&K owned by Company.
- 5) F-5, Vikas Apartment, 34/1, 1<sup>st</sup> Floor, East Punjabi Bagh, New Delhi owned by Ms. Seema Garg.
- 6) Industrial property at G-30 RIICO Industrial Area, Vigyan Nagar, Shahjahanpur Dist. Alwar, Rajasthan.
- 7) Property situated at Khasra no. 710/201 in Village Rithala, Delhi owned by Mr. Vivek Garg.
- 8) A-28 Khasra No.12/10 and 13/6 Village Kamrudin Nagar Nangloi owned by Ms. Seema Garg and Ms. Usha Garg.
- 9) 770, Khasra No.142/770, situated at Village Khanjawala, New Delhi owned by Ms. Usha Garg
- 10) B-1, 34/1, Vikas Apartment, Punjabi Bagh, New Delhi owned by Ms.Usha Garg.
- 11) Land situated village Sultanpur Dabas, New Delhi owned by Company.
- 12) Industrial property at G-24-29 RIICO Industrial Area, Vigyan Nagar, Shahjahanpur Dist. Alwar Rajasthan, owned by Company.
- 13) Industrial Property at Dahej –II, Industrial Estate, Dist. Bharuch Gujarat owned by Company.
- 14) Industrial Property No. - F-7 & 8, Vigyan Nagar RIICO Indl. Area, Shahjahanpur, Tehsil Neemrana Distt. Alwar, Rajasthan.

Further limit is guaranteed by Personal guarantee of the following

- 1) Mr. Nand Kishore Garg
- 2) Mr. Vikas Garg
- 3) Mr. Vivek Garg
- 4) Ms. Seema Garg
- 5) Ms. Usha Garg
- 6) Ms. Namita Garg

₹ in rupees

**Note No.8 Trade Payables**

Particulars	As at 31st March 2017	As at 31st March 2016
Sundry Creditors (subject to confirmation and reconciliation)	42,52,65,739	44,89,41,279



<b>Total</b>	<b>42,52,65,739</b>	<b>44,89,41,279</b>
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**NOTE: 9 Other Current Liabilities**

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
Current Maturities of Long Term Loan debt <b>(Note No. 4)</b>	2,65,14,410	2,41,42,807
	<b>2,65,14,410</b>	<b>2,41,42,807</b>
<b>Other Payables</b>		
Duties and Taxes	1,97,84,092	20,20,382
Advance From Customers	96,54,792	87,77,696
Expenses Payable	88,54,922	42,86,050
Advance Received against Property	45,21,000	
Current Account with Bank	-	6,47,74,225
Other current Expenses & liability	16,02,068	11,46,732
	<b>4,44,16,875</b>	<b>8,10,05,084</b>
<b>Total</b>	<b>7,09,31,284</b>	<b>10,51,47,892</b>

**NOTE: 10 Short Term Provisions**

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
Dividend on Equity Shares	1,39,94,984	1,27,11,984
Dividend Distribution Tax	29,28,427	25,87,906
Current tax Provision	14,50,00,000	13,24,36,448
Provision for Gratuity (Short Term)	62,300	16,182
<b>Total</b>	<b>16,19,85,711</b>	<b>14,77,52,520</b>

## Note No.11 Fixed Assets Chart as at 31st March 2017

Fixed Assets										
	GROSS BLOCK				DEPRECIATION				NET BLOCK	
PARTICULARS	As at 31.03.2016	Addition	Deductions	As at 31.03.2017	As on 31.03.2016	for the year	Reversal	As on 31.03.2017	As on 31.03.2017	As on 31.03.2016
<b>Tangible Assets</b>										
Leasehold Land	7,69,46,312	3,53,64,183	-	11,23,10,495	9,16,385	9,50,569	-	18,66,954	11,04,43,541	7,60,29,927
Building (Office)	30,64,595	-	-	30,64,595	7,58,042	1,12,076	-	8,70,117	21,94,478	23,06,553
Building (Factory)	7,37,95,010	1,04,41,145	2,19,02,450	6,23,33,705	1,88,33,950	61,35,745	50,75,276	1,98,94,419	4,24,39,287	5,49,61,061
Plant & Machinery	22,68,40,982	2,74,94,926	5,97,97,342	19,45,38,566	8,85,69,112	2,91,82,397	2,00,66,386	9,76,85,123	9,68,53,443	13,82,71,870
Furniture & Fittings	26,91,950	17,800	-	27,09,750	19,59,940	1,99,977	-	21,59,917	5,49,833	7,32,009
Vehicles	1,98,86,019	2,18,08,041	67,66,613	3,49,27,447	1,53,66,687	50,10,296	53,87,729	1,49,89,254	1,99,38,193	45,19,332
Office Equipments	1,07,89,658	5,55,272	-	1,13,44,930	90,95,759	7,10,564	-	98,06,323	15,38,607	16,93,899
Computers	50,54,332	4,85,582	-	55,39,914	45,42,966	3,65,747	-	49,08,713	6,31,201	5,11,366
<b>Total(Current Year)</b>	<b>41,90,68,858</b>	<b>9,61,66,949</b>	<b>8,84,66,405</b>	<b>42,67,69,402</b>	<b>14,00,42,841</b>	<b>4,26,67,371</b>	<b>3,05,29,391</b>	<b>15,21,80,820</b>	<b>27,45,88,583</b>	<b>27,90,26,018</b>
<b>As on 31.03.2016</b>	31,90,90,407	10,48,05,996	48,27,545	41,90,68,858	10,88,83,412	3,37,07,715	25,48,286	14,00,42,841	27,90,26,018	21,02,06,995

₹ in rupees

**Note No.12 Non-current Investments**

Particulars	As at 31st March 2017	As at 31st March 2016
LIC Group Insurance (fair value as reported in actuarial valuation report)	4,17,051	3,86,179
<b>Total</b>	<b>4,17,051</b>	<b>3,86,179</b>

**NOTE: 13 Other Non-current Assets**

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
Security Deposit (Unsecured and considered good)	36,58,657	18,87,674
<b>Total</b>	<b>36,58,657</b>	<b>18,87,674</b>

**NOTE: 14 Inventories**

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
<b>(Valued at Lower of cost or NRV unless otherwise stated)</b>		
<b>(As valued and certified by the management)</b>		
Finished Goods	4,37,78,989	2,53,65,043
Real Estate Inventory	1,22,45,927	1,22,45,927
Traded Goods	-	3,02,95,454
Raw Material	37,96,02,388	28,01,95,935
Capital WIP - Real Estate	1,43,70,612	1,43,70,612
Goods In Transit	11,64,15,909	1,29,82,576
<b>Total</b>	<b>56,64,13,825</b>	<b>37,54,55,547</b>

**NOTE: 15 Trade Receivables**

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
<b>(subject to confirmation and reconciliation)</b>		
<b>Outstanding for more than six months</b>		
Unsecured, Considered Good :	3,04,72,037	3,57,79,303
Less: Provision for doubtful debts		
<b>Sub Total</b>	<b>3,04,72,037</b>	<b>3,57,79,303</b>
<b>Outstanding for less than six months</b>		
Unsecured, Considered Good	1,48,54,81,123	1,37,05,83,293
Less: Provision for doubtful debts		
<b>Sub Total</b>	<b>1,48,54,81,123</b>	<b>1,37,05,83,293</b>
<b>Total</b>	<b>1,51,59,53,160</b>	<b>1,40,63,62,596</b>

**NOTE 16: Cash And Cash Equivalent**

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
<b>Cash-in-Hand</b>		
Cash in Hand **	22,42,197	12,09,411

	<b>22,42,197</b>	<b>12,09,411</b>
<b>Bank Balance</b>		
Bank Current Account	13,94,28,450	5,34,648
Unpaid Dividend Account*	15,99,233	11,33,708
Deposit with Bank held as Margin Money	4,99,30,283	4,11,96,402
	<b>19,09,57,967</b>	<b>4,28,64,758</b>
<b>Total</b>	<b>19,32,00,164</b>	<b>4,40,74,170</b>

\*There is no Amount in unpaid Dividend Account which is transferable to Investor Protection Fund Account

\*\*

Particulars	SBN*	ODN	Total
Closing Cash in Hand as on 08.11.2016	6,00,000	4,22,052	10,22,052
(+)Permitted Receipts (Cash Withdrawal)	-	10,99,000	10,99,000
(+)Permitted Receipts (From Parties))	-	24,832	24,832
(-)Permitted Payments	-	6,75,690	6,75,690
(-)Amount deposited in Banks	6,00,000	-	6,00,000
Closing cash in hand as on 30.12.2016	-	8,95,026	8,95,026

**NOTE 17: Short Term Loans and Advances**

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
Margin Money with Suppliers	-	3,62,000
Advance to Suppliers *	35,13,32,080	8,74,45,530
Advance to Staff	16,70,407	6,16,750
Oriental Insurance company advance	20,452	-
Advance Against Fixed Assets	10,09,000	-
Advance Against Capital Assets **	2,36,47,472	72,49,720
<b>Total</b>	<b>37,76,79,411</b>	<b>9,56,74,000</b>

\*Advance to Suppliers includes Rs. 96,50,143 /- (Ninety Six Lacs Fifty Thousand One Hundred and Forty three only) to Vikas Multicorp Limited (formerly known as Moonlite Technochem Private Limited) & Rs.1,69,84,258/-(One Crore Sixty Nine Lacs Eighty four Thousand two Hundred and & fifty eight only) to Vikas Polymers (India) in which Director of Vikas Ecotech Ltd is partner.

\*\*Advance against Capital Assets includes Rs. 6,22,220/-(Six Lacs Twenty Two Thousand two Hundred and Twenty only) to MM Info systems Private Limited in which Director of Vikas Ecotech Limited is Director.

**Balances with Related Parties**

Particulars	As at 31st March 2017
Vikas Multicorp Limited (formerly known as Moonlite Technochem Private Limited)	96,50,143.00
MM Info systems Pvt Ltd	6,22,220.00
Vikas Polymers India	1,69,84,258.00
<b>Total</b>	<b>2,72,56,621.00</b>

**NOTE: 18 Other Current Assets**

₹ in rupees

Particulars	As at 31st March 2017	As at 31st March 2016
Input Credit/ Cenvat Credit Receivable	2,63,10,714	44,75,838
TDS/TCS Receivable 2016-2017	5,81,371	4,62,895
Advance Income Tax	2,50,00,000	1,23,50,000
PLA Excise	5,39,788	7,13,693
Receivable Govt. department	3,83,35,196	4,42,44,533
Interest Receivable	16,63,335	37,04,967
Prepaid Expenses	31,64,503	9,00,546
Others	45,57,891	55,23,459
<b>Total</b>	<b>10,01,52,799</b>	<b>7,23,75,931</b>

**NOTE: 19 Revenue From Operations**

₹ in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
Sales of Product	3,71,36,01,413	3,07,15,20,140
Domestic	1,78,29,67,865	1,58,18,13,907
Export	1,93,06,33,548	1,48,97,06,233
<b>Total</b>	<b>3,71,36,01,413</b>	<b>3,07,15,20,140</b>

Sales of Product includes following transactions with the related party.

PARTICULARS	As at 31st March 2017	As at 31st March 2016
Vikas Multicorp Limited (formerly known as Moonlite Technochem Private Limited)	8,98,98,172	8,13,57,063
Vikas Polymers(India)	-	21,37,325

**NOTE: 20 Other Income**

₹ in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
<b>Other Operating Income</b>		
Foreign Exchange Fluctuation	53,28,102	58,06,318
Excise Refund	13,39,123	39,94,791
Rebate and Discount	7,13,315	1,38,83,971
Export Incentive	30,79,917	95,70,029
Employee Stock Option reversal	-	1,05,03,337
Profit on sale of car	8,31,116	-
Other Receipts	-	15,642
Job Work	-	33,500
<b>Other Non-Operating Income</b>	<b>-</b>	<b>-</b>
Commission & Interest Income	42,01,269	33,01,543
Rent on Investment Properties	12,00,000	12,00,000
<b>Total</b>	<b>1,66,92,842</b>	<b>4,83,09,132</b>

**NOTE: 21 Cost Of Material Consumed**

₹ in rupees



PARTICULARS	As at 31st March 2017	As at 31st March 2016
Inventory at the beginning		-
Raw Material, WIP and Finished Goods	30,55,60,978	20,85,80,370
	<b>30,55,60,978</b>	<b>20,85,80,370</b>
Add: Purchases		
Raw Material	2,21,95,21,442	1,82,63,72,222
	<b>2,21,95,21,442</b>	<b>1,82,63,72,222</b>
Less:- Inventory lost by fire	10,65,49,789	
Less: Inventory at the end		
Raw Material, WIP and Finished Goods	42,33,81,377	30,55,60,978
	<b>42,33,81,377</b>	<b>30,55,60,978</b>
<b>Total</b>	<b>1,99,51,51,255</b>	<b>1,72,93,91,614</b>

**Details of Major material consumed**

Particulars	OPENING VALUE	PURCHASES VALUE	CLOSING VALUE	CONSUMPTION Value
<b>Raw Material</b>				
Tin Alloy / Inogts	5,69,45,316	23,72,23,486	1,07,367	29,40,61,435
2 Ethylhexyl Thioglycolate	1,37,08,927	5,39,60,070	1,02,70,769	5,73,98,228
Hydrogen Peroxide	38,18,522	-	-	38,18,522
PVC Resin	5,58,89,664	50,81,81,236	13,25,89,518	43,14,81,382
Styrene Butadiene Copolymer	42,31,320	11,71,39,738	18,49,990	11,95,21,068
Styrene Butadiene Styrene	12,83,666	17,39,22,473	1,54,67,027	15,97,39,112
Methyl Chloride (Gas)	10,05,298	43,31,801	4,74,723	48,62,376

**Details of Inventory**

₹ in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
<b>Raw Material</b>		
Raw Material, WIP and Finished Goods	42,33,81,377	30,55,60,978
	<b>42,33,81,377</b>	<b>30,55,60,978</b>

**NOTE NO 22: Purchase Of Traded Goods**

₹ in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
Purchase of traded goods	76,08,82,265	66,74,28,985
<b>Total</b>	<b>76,08,82,265</b>	<b>66,74,28,985</b>

Purchase of Stock in Trade and Raw Material includes following transactions with the related party:

PARTICULARS	As at 31st March 2017	As at 31st March 2016
-------------	--------------------------	--------------------------

FY 2016-17

Moonlite Technochem Private Limited	16,83,52,115	11,29,03,456.61
Vikas Polymers (India)	8,64,23,275	7,40,09,328.00

**NOTE NO : 23 Change In Inventories**

₹in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
<b>Inventory at the end of the year</b>		
Traded Goods & Real Estate Inventory	2,66,16,539	5,69,11,993
	<b>2,66,16,539</b>	<b>5,69,11,993</b>
<b>Inventory at the beginning of the year</b>		
Traded Goods & Real Estate Inventory	5,69,11,993	3,23,95,814
	<b>5,69,11,993</b>	<b>3,23,95,814</b>
<b>(Increase)/Decrease in Inventory (Traded Goods &amp; Real Estate Inventory)</b>	<b>3,02,95,454</b>	<b>(2,45,16,179)</b>

**NOTE: 24 Employee Benefit Expenses**

₹in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
<b>Salary and Wages</b>		
Salary including Employee Benefits	3,59,96,739	2,59,71,055
Wages including Employee Benefits	1,09,22,044	34,80,934
Contribution of Employer on Provident and Other Fund	10,16,985	7,59,666
Staff Welfare Expenses	18,10,630	6,09,436
Director Remuneration	28,10,000	22,80,000
<b>Total</b>	<b>5,25,56,398</b>	<b>3,31,01,091</b>

**NOTE: 25 Financial Cost**

₹in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
<b>Interest</b>		
Interest on Borrowing	8,17,74,856	7,38,11,574
Interest On Long-term Loans From Banks	1,40,44,184	82,29,085
Other Interests	1,72,03,566	16,28,278
other Financing Charges	1,70,57,847	2,99,58,915
<b>Total</b>	<b>13,00,80,452</b>	<b>11,36,27,852</b>

₹in rupees

**NOTE: 26 Depreciation & Amortised Expense**

PARTICULARS	As at 31st March 2017	As at 31st March 2016
Depreciation on tangible assets	4,26,67,371	3,37,07,715
Amortization on Intangible Assets	-	-
<b>Total</b>	<b>4,26,67,371</b>	<b>3,37,07,715</b>

₹in rupees

**NOTE: 27 Other Expenses**

PARTICULARS	As at 31st March 2017	As at 31st March 2016
<b>(A) Manufacturing and other Direct Expenses</b>		
Custom Duty	72,93,817	1,79,90,356
Freight	2,23,55,594	3,83,92,427

Loading and Unloading expenses	28,87,210	29,14,419
Power and fuel	2,61,02,327	2,23,99,714
Demurrage and Inland Haulage Charges	3,49,17,847	3,44,61,471
Consumption of Stores and Spare Parts	54,82,447	43,88,819
Other Direct expenses	79,20,080	1,06,04,798
<b>Total Manufacturing &amp; Other Direct Expenses</b>	<b>10,69,59,320</b>	<b>13,11,52,003</b>
<b>(B) Other Administrative &amp; Selling Expenses</b>		
Legal and Professional Charges	1,59,43,627	44,72,701
Expenses on Corporate Social Responsibility	35,30,120	15,00,000
Conveyance Expenses	8,58,881	6,90,964
Advertisement and Business Promotion	22,15,421	18,21,507
Rent	10,45,031	11,68,647
Electricity Expenses	9,19,074	9,84,572
Communication Connectivity expenses	12,85,992	13,17,955
Travelling Expenses	77,06,313	40,42,731
Vehicle Running Expense	6,13,713	3,67,302
Donation	41,38,600	16,71,800
Repair and Maintenance - Plant and Machinery	18,99,634	5,11,925
Repair and Maintenance - Others	6,54,398	24,20,769
Repair and Maintenance - Building	27,464	79,812
Freight Outward	2,74,20,673	41,75,450
Security Charges	26,40,883	20,44,765
Rates and Taxes	6,01,998	43,63,915
Insurance Expenses	32,20,341	38,92,723
Printing and Stationery	16,32,400	7,32,100
Director Sitting Fees	2,80,000	2,23,000
Auditors Remuneration	8,00,000	6,29,750
Rebate and Discount	9,43,083	99,120
Commission paid	4,50,583	9,61,360
Miscellaneous Expenses	1,05,836	1,29,597
Other Expenditure	1,29,44,912	66,78,449
<b>Total Indirect Expenses</b>	<b>9,18,78,977</b>	<b>4,49,80,915</b>
<b>Total</b>	<b>19,88,38,297</b>	<b>17,61,32,918</b>

₹ in rupees

**NOTE: 27(a) OTHER EXPENSES**  
**Current Tax**

PARTICULARS	As at 31st March 2017	As at 31st March 2016
Current Tax pertaining to Current Year	14,50,00,000	13,51,61,305
<b>Total</b>	<b>14,50,00,000</b>	<b>13,51,61,305</b>

₹ in rupees

**Exceptional Items**

PARTICULARS	As at 31st March 2017	As at 31st March 2016
Loss by Fire (Plant and Machinery)	3,97,30,957	-
Loss by Fire (Building)	1,68,27,173	-
Loss by Fire (Stock)	10,65,49,789	-
<b>Total</b>	<b>16,31,07,919</b>	-

**Deffered Tax**

PARTICULARS	As at 31st March 2017	As at 31st March 2016
Deffered Tax	2,00,82,417	17,83,319
<b>Total</b>	<b>2,00,82,417</b>	<b>17,83,319</b>

**Excess/short provision Relating to earlier year Tax**

₹ in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
Short Provision of Tax pertaining to previous years	-	38,46,649
<b>Total</b>	<b>-</b>	<b>38,46,649</b>

**Auditor's Remuneration**

₹ in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
Auditor's Remuneration	8,00,000	6,29,750
Representation and certification services	74,177	3,43,408
<b>Total</b>	<b>8,74,177</b>	<b>9,73,158</b>

**Note No. 28**

The board of directors, subject to approval of the member has recommended dividend of 5% of face value per Equity Share.

**Note No. 29**

**Commitments**

**Capital Commitment:** There are no any other contracts remaining to be executed on capital account and not provided for as at 31<sup>st</sup> March, 2017 except the Company has intended to purchase the property for Rs. 8,37,00,000/-,at New Rohtak Road New Delhi. Company has made the payment of Rs.2,30,25,252/-for the same up to 31.03.2017, remaining payment and the registration will be done in upcoming years and the same will be registered in the name of the Company after completing all the formalities for taking over the units.

Company has contracted with Smart Roof Solar Solution Pvt Ltd for the designed, installed & commissioned Grid Connected solar roof top project for Rs.2,20,75,000/-.The company has paid a sum of Rs.5,00,000/- up to 31<sup>st</sup> March, 2017.

**Lease Commitment:** The Company has taken various premises on operating leases. The rental of Rs. 10,41,031/- (Previous year Rs.3,55,241/-) has been charged to Profit and Loss Account for the year ended 31<sup>st</sup> March 2017. The under lying agreements are executed for a period generally ranging from one year to three years, renewable at the option of the Company and the lessor. There are no restrictions imposed by such leases and there are no sub leases.

The minimum rental payments to be made in future in respect of these operating leases are as under:

₹ in rupees

MINIMUM LEASE RENTALS	As at 31st March 2017	As at 31st March 2016
Within one year	21,75,185	3,80,441
Later than one year, not later than Three years	44,76,404	7,60,882
<b>Total</b>	<b>66,51,589</b>	<b>11,41,323</b>

**Note No. 30**

On 31<sup>st</sup> March 2017, Company's newly opened Poly propylene manufacturing plant was destroyed in a fire that engulfed this particular section of company's manufacturing facility in Shahjahanpur, Rajasthan. The damage was limited to only one building that housed the poly propylene section and a material warehouse. The company's four other manufacturing units in

the same factory Plot are intact and fully operational. No human casualties were reported and all company's employees and workers were safe. In fire the stock amounting to Rs. 10,65,49,789/- was destroyed along with the building and Plant & Machinery worth Rs. 1,68,27,173/- and Rs 3,97,30,957/- respectively was also destroyed. All the stocks, Plant & Machineries & Building were fully insured with The Oriental Insurance Company Ltd. and the Company has successfully filed and lodged the claim with the insurance company.

The management of company has recognised the complete loss during this year under review, as the claim is under process for approval as on date. In accordance with the accounting policies, the company shall account for insurance claims in the year in which the same is approved by the insurance company and accordingly consider the same as income in the respective financial year.

**Note No. 31**

There is a Contingent Liability of Rs. 67 Lacs in the form of Bank Guarantee and Rs. 2,736 Lacs/- in respect of LC and duty saved against advance license is Rs. 509.54 Lacs/-. LC Limit was utilized against the Trade Payable outstanding in Note No.9.

**Note No. 32**

Details of pending Litigations are given below:-

Nature of Statute	Period to which amount relates	Nature of Dues	Amount (in Rs.)	Forum where dispute is pending
Income Tax Act	2002-03	Income Tax Demand	31,44,000/-	ITAT, Delhi
Custom Act	2011-12	Custom Duty Demand	5,13,266/-	Custom Authorities, Rajasthan
VAT	2012-13	Vat Demand	88,000/-	VAT Authorities, Jammu
VAT		Vat Demand	90,67,107/-	Special commissioner Deptt. of Trade and Taxes, Rajasthan
Income Tax Act	Assessment Year 2012-13	Income Tax Demand	27,64,140/-	Commissioner of Income Tax Appeal-IX, Delhi
Income Tax Act	Assessment Year 2013-14	Income Tax Demand	4,02,480/-	Commissioner of Income Tax Appeal-IX, Delhi
Excise*		Excise Duty Refund (Sigma Plastic Industries)	31,24,983/-	CESTET(DELHI)
Excise		Excise Duty Refund	4,09,226/-	CESTET(DELHI)
Income Tax Act	Assessment Year 2014-15	Regular Assessment	22,84,230	Commissioner of Income Tax Appeal-I, Delhi

Company has filed Civil Suit against ADM Agro Industries Kota and Akola Limited supplier of Soya Bean Oil in Saket Court Delhi case No-CS OS No-198/214 of Amounting Rs. 99,61,516/- due to poor supply of soya bean oil. Company has suffered a loss due to such poor quality of material supplied by them and non recovery of money from debtors and it also affect goodwill of the Company. The ADM Agro Industries Kota and Akola Limited has also filed winding up Petition against Company in High Court case no CO PET No-64/2014 due to non-payment of Rs 41,15,664/- along with interest at the rate of 18% from the due date of payment. The ADM Agro Industries Kota and Akola Limited has also filed a summary suit for recovery of debts in Tis Hazari Court, Summary Suit no – C S (OS) 3077/2014.

\*The Company Vikas Ecotech Limited acquired 100% share in Sigma Plastic Industries, and merged the same in the Vikas Eco tech Limited in FY.2014-15, by virtue of this, pending litigation of Sigma Plastic Industries has also become part of pending litigation of Vikas Ecotech Limited.

**Note No. 33**

Inventory as stated in note no 15 includes real estate inventory of Rs.266.17 Lacs.

**Note No. 34 Segment Reporting:**

The segment reporting of the Company has been prepared in accordance with Accounting Standard(AS-17) Accounting for Segment Reporting issued by The Institute of Chartered Accountant of India.

**The Company has determined the following business segments as the primary segments for disclosure:**

- 1) Chemical Division
  - a. Manufacturing Division
  - b. Trading Division
- 2) Real Estate Division

**The geo graphical Segment consists of:**

- 1) Domestic (Sales to customers located in India)
- 2) International (Sales to customers located outside India)

**The above business segments have been identified and reported considering:**

- 1) The nature of the services
- 2) The related risk and returns
- 3) The internal financial reporting systems

Purchase directly attributable to segments is reported based on items that are individually identifiable to that segment. Common allocable costs are allocated to each segment to that common cost.

₹ in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
<b>Segment Revenue</b>		
Chemical Division	<b>37,248.93</b>	<b>31,048.29</b>
-Manufacturing	29,155.13	24,175.05
-Trading	8,093.80	6,873.24
Real Estate Division		
<b>Total</b>	<b>37,248.93</b>	<b>31,048.29</b>
<b>Segment Expenditure</b>		
Chemical Division	<b>30,803.91</b>	<b>26,155.19</b>
-Manufacturing	22,797.21	19,543.67
-Trading	8,006.70	6,611.52
Real Estate Division		
<b>Total</b>	<b>30,803.91</b>	<b>26,155.19</b>
<b>Segment Results</b>		
Chemical Division	6,445.02	4,893.10
-Manufacturing	6,357.91	4,631.38
-Trading	87.11	261.72
Real Estate Division		
<b>Total</b>	<b>6,445.02</b>	<b>4,893.10</b>
Other Income	54.01	150.01
Exceptional items / Prior Period Income / (Expenses)	(0.94)	16.12
Less: Interest	1,300.80	1,133.54
<b>Profit before Tax</b>	<b>5,197.29</b>	<b>3,925.69</b>
<b>Capital Employed</b>		
Chemical Division	13,684.89	7,329.03
Real Estate Division	252.09	266.16
<b>Total</b>	<b>13,936.98</b>	<b>7,595.19</b>

<b>Geographical Revenue</b>		
Domestic Revenue	17,869.10	15,991.36
Export Revenue	19,379.83	15,056.93
<b>Total Revenue</b>	<b>37,248.93</b>	<b>31,048.29</b>



Segment revenue, results, assets and liabilities include amounts identifiable to each segment and amounts allocated on a reasonable basis based on their relationship to the operating activities of the segment.

**Note No. 35**

The Company had not received information from suppliers regarding their status under the “Micro, Small and Medium Enterprises Development Act 2006” and accordingly no disclosure regarding overdue outstanding of principal amount and interest there on has been given.

**Note No. 36**

In the opinion of the Management of the Company, all Current Assets, Loans and Advances appearing in the balance sheet as at 31<sup>st</sup> March 2017 have a value on realization in the ordinary course of the Company’s business at least equal to the amount at which they are stated in the balance sheet. Certain balances shown under current assets, current liability, loans and advances and balances with banks are subject to confirmation / reconciliation.

**Note No. 37**

The scheme of amalgamation was filed under section 391 read with section 394 of the companies Act 1956 w.e.f. April 1, 2007 for the amalgamation of the following three transferor companies a) Hulchul International Private Limited, b) Vikas Utilities Private Limited, c) South Delhi Projects Private Limited, With the transferee company Vikas Ecotech Limited (formally known as Vikas Globalone Limited).The same has been approved by the High Court wide order no 18457/1 dated October 17, 2008. The amalgamation has been accounted for the manner specified in the Scheme, The Surplus of Rs. 965,934/- arising out of amalgamation is shown under the head Capital Reserve Account.

**Note No. 38**

In the opinion of the Management, no provision is required to be made against the recoverability of the balances (referred in Note no.36) except provided.

**Note No. 39 Employees Benefit Obligation:**

**I. Defined Contribution Plan**

During the year the Company has recognized the following amount in the statement of profit and loss under Employee benefit expense to provident fund under defined contributions plan of Employees’ Provident Fund and Miscellaneous Provisions Act, 1952.

Particulars	Year Ended 31 <sup>st</sup> March 2017	Year Ended 31 <sup>st</sup> March 2016
Employer’s contribution to Provident Fund	7,00,621/-	5,92,175/-

**II. Defined Benefit Plan**

Principal actuarial assumptions at the balance sheet date

( Amount in ₹ )

Particulars	Year ended 31 <sup>st</sup> March 2017	Year ended 31 <sup>st</sup> March 2016
Retirement Age	60	60
Withdrawal Rates		
Upto 30 Years	3%	3%
31-44 Years	2%	2%
Above 44 Years	1%	1%
Discounting Rate	7.50%	7.80%
Expected rate of increase in salary	6%	6%
Mortality Table	Indian Assured Live Maturity 2006-08	Indian Assured Live Maturity 2006-08

**(A) Changes in the Present Value of Obligation**

( Amount in ₹ )

Particulars	Gratuity	Gratuity
	Year Ended 31 <sup>st</sup> March 2017	Year Ended 31 <sup>st</sup> March 2016
Present Value of obligation as at the	8,91,804	17,04,743

beginning of the Period		
Interest Cost	69,511	1,33,253
Current Service Cost	5,37,154	2,81,922
Benefits Paid / accrued		
Actuarial (gain)/loss on obligations	13,00,594	(12,28,114)
LC Premium		
Present value of obligation as at the End of the Period	27,99,063	8,91,804

**(B) Changes in the fair Value of Plan Assets-**

Particulars	Gratuity	
	Year Ended 31st March 2017	Year Ended 31st March 2016
Fair Value of Plan Assets as at the beginning	3,86,179	3,55,046
Acquisition Adjustment	-	-
Expected Return on Plan Assets	30,872	31,133
Employer's Contributions	-	-
Employee's Contributions	-	-
Benefits Paid	-	-
Actuarial Gain / (Loss) on the Plan Assets	-	-
Fair Value of Plan Assets as at the end	4,17,051	3,86,179

**(C) Reconciliation of Present value of Defined Benefit Obligation and the Fair value of Assets**

( Amount in ₹ )

Particulars	Gratuity	
	Year Ended 31 <sup>st</sup> March 2017	Year Ended 31 <sup>st</sup> March 2016
Present Value of obligation as at the End of the period	27,99,063	8,91,804
Fair Value of Plan assets as at end of the Period	4,17,051	3,86,179
Un Funded Status		
Unrecognized Actuarial (gains)/losses		
Unfunded Net Assets/ (liability) Recognize in Balance sheet	(23,82,012)	(5,05,625)

**(D) Expense recognized in the Statement of Profit and Loss**

Particulars	Gratuity	
	Year Ended 31 <sup>st</sup> March 2017	Year Ended 31 <sup>st</sup> March 2016
Current Service Cost	5,37,154	2,81,922
Past Service Cost		
Interest Cost	69,511	1,33,253
Curtailment Cost	(30,872)	(31,133)
Actuarial (gain)/Loss on obligations	13,00,594	(12,28,114)
Total Expenses recognized in the Statement of Profit & Loss	18,76,387	(8,44,072)

**(E) Constitution of Plan Assets-**

Movement in the liability recognized in the Balance sheet

Particulars	For the period Ending	
	31st March 17	31st March 16
Present Value of obligation as at the beginning	8,91,804	17,04,743
Expenses Recognized in statement of Profit and Loss	18,76,387	(8,44,072)
Benefits Paid		-
Actual Return on Plan Assets	30,872	31,133
Acquisition Adjustments		-

Present Value of Obligation as at the end	27,99,063	8,91,804/-
---	-----------	------------

The Company has taken Group Gratuity Scheme for the employees from the LIC of India. Total Fund Value of the same is Rs.4,17,051/-.

**Note No. 40**

As per the best estimate of the management, no provision is required to be made as per Accounting Standard 29. Provisions, Contingent Liabilities and Contingent Assets as not specified under the Companies (Accounting Standards) Rules, 2006, as amended, in respect of any present obligation as a result of past event that could lead to a probable out flow of resources, which would be required to settle the obligation.

**Note No. 41**

**Prior Period Items:**

₹ in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
Expenses:-		
Legal & Professional charges	27,050	31,390
Provident Fund / ESIC	-	81,069
Conveyance	17,217	-
Agent Fees	7,100	-
Courier Exp	37,783	-
Electricity	56,428	-
Import Exp	2,21,199	-
Telephone and Internet Charges	9,088	-
Repair and Maintenance	19,239	-
Water Charges	5,460	-
Fee & Filling charges	270	-
Freight charges	1,95,071	1,500
Rent	11,400	-
Custom Duty Expenses	-	15,85,313
General Exp	23,347	53,004
Loading Unloading Charges	-	78,762
Salary/Personal	-	2,69,616
Export Charges	-	13,203
Processing Fee	-	1,03,050
Insurance	-	2,03,030
Staff Welfare	36,786	21,601
<b>Total</b>	<b>6,67,438</b>	<b>24,41,538</b>
LME and Foreign Exchange Difference	-	(18,53,062)
Expert Incentive	-	(19,84,449)
Rates and Taxes	(5,72,939)	(2,15,606)
<b>Total</b>	<b>(5,72,939)</b>	<b>(40,53,117)</b>
<b>Prior Period (Income) / Expenses</b>	<b>94,499</b>	<b>(16,11,579)</b>

**Note No. 42**

Disclosure in respect of Accounting Standard (AS) 18 "Related Party Disclosures" as notified under the Companies (Accounting Standards) Rules, 2006, as amended:

Names of related parties and description of relationship:

NATURE OF RELATIONSHIP	NAME OF PARTY
Company with common Director	-Vikas Multicorp Limited (formerly known as Moonlite Technochem Private Limited) -MM Info systems Pvt Ltd
Key Management Personnel	-Mr. Vikas Garg (Managing Director) -Mr. Vivek Garg (Whole Time Director) -Mr. Ashutosh Kumar Verma (CEO & Whole Time Director) -Mrs. Anjavi Pandya (C.F.O) -Mr. Pankaj Gupta (Ex C.F.O) -Mr. Siddhartha Agrawal (C.S.)
Relative of Key management Personnel	-Mr. Nand Kishore Garg -Mrs. Seema Garg -Mrs. Shashi Prabha Verma
Other Related Parties	-Vikas Polymer (India)

The following transactions were carried out during the year with related parties in the ordinary course of business:

₹in rupees Lacs

NATURE OF TRANSACTION	Company with common Director	KMP & RELATIVE	Other Relates Parties	TOTAL
Sales	898.98	-		<b>898.98</b>
Purchase	1,704.43	-	907.44	<b>2,611.87</b>
Goods in transit	385.42	-	-	<b>385.42</b>
Advance against supplies	96.50	-	169.84	<b>266.34</b>
Advance against Capital Goods	6.22	-	-	<b>6.22</b>
Rent Paid	-	3.70	-	<b>3.70</b>
Director Remuneration	-	28.10	-	<b>28.10</b>
Salary to KMP	-	22.46	-	<b>22.46</b>
<b>TOTAL</b>	<b>3,091.55</b>	<b>54.26</b>	<b>1,077.28</b>	<b>4,223.09</b>

In accordance with AS 18, disclosures in respect of transactions with identified related parties are given only for such period during which there relationship existed.

**Note No. 43**

Earnings per Share:

Basic earnings per share are computed by dividing the net profit / (loss) attributable to equity shareholders, for the year by the weighted average number of equity shares outstanding during the year.

₹in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
Net Profit/ (Loss) After Tax as per Profit & Loss Account (inRs)	23,17,02,762	25,53,42,219

Total No. of Shares Outstanding at the end of the year	27,98,99,675	25,42,39,675
Weighted average no of shares outstanding at the end of the year	25,45,68,649	25,42,39,675
Basic and diluted Earnings Per Share (in Rs)	0.91	1.00
Nominal value per Equity Share (in Rs)	1.00	1.00

**Note No. 44**

Deferred Tax: Incompliance with Accounting Standard 22(AS22)-Accounting for Taxes on Income, as notified under the Companies (Accounting Standards) Rules, 2006, as amended, the Company has recognized deferred tax Asset (net) in the Profit and Loss Account of Rs. 2,00,82,417/- (Previous year Rs.17,83,319/-) during the year ended March 31, 2017.

The breakup of Deferred Tax Assets in to major components as at March 31, 2017 is as under:

PARTICULARS	As at 31st March 2017	As at 31st March 2016
DEFERRED TAX ASSETS		
Arising on account of temporary differences due to:		
Excess of Book WDV of Fixed Assets over Tax WDV of Fixed Assets	2,17,97,174	17,14,575
<b>Total</b>	<b>2,17,97,174</b>	<b>17,14,575</b>

₹ in rupees

**Note No. 45**

The company does not see any material foreseeable losses on any long term contracts entered by the company; therefore no provision is required in this respect. Further the Company has not entered in to any foreign exchange derivative instruments during the year under consideration.

**Note No. 46**

The Company commissioned its new unit at Noida (SEZ) for manufacturing of product naming organotin Heat Stabilisers and PVC Compounds during the 4<sup>th</sup> Quarter In March, 2017.

**Note No. 47**

Corporate Social Responsibility

The Company is covered u/s 135 of Companies Act 2013, the details of the expenditure on corporate social responsibility activity is as under:

Gross amount required to be spent by the Company during the year: Rs. 32,81,792/-

Amounts spent during the year: Rs.35,30,120/-

**Note No. 48**

Additional information to the extent applicable is as follows:

**Managerial remuneration:**

₹ in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
Salaries	28,10,000	22,80,000
Employer's Contribution to Provident Fund	-	-
<b>TOTAL</b>	<b>28,10,000</b>	<b>22,80,000</b>

**Auditor's Remuneration**

₹ in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
Auditor's Remuneration	8,00,000	6,29,750
Representation and certification services	74,177	3,43,408
<b>Total</b>	<b>8,74,177</b>	<b>9,73,158</b>

Expenses incurred in foreign currency during the year ended March 31, 2017 aggregates to

₹ in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
Purchase	58,70,21,528	31,13,22,520
Foreign Travelling	43,53,461	13,86,738
Buyers Credit Charge	35,96,935	15,03,093
<b>TOTAL</b>	<b>59,49,71,924</b>	<b>31,30,58,223</b>

**A)** CIF value of export (in foreign currency) made during the year included in the sales amounting Rs. 1,86,30,76,248/- (Previous Year: ₹ 131,41,36,473 /-)

**B)** Activity in foreign currency during the year ended March 31, 2017 aggregates to:-

₹ in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
<b>Expenditures:-</b>		
Purchase	58,70,21,528	31,13,22,520
Foreign Travelling	43,53,461	13,86,738
Buyers Credit Charge	35,96,935	15,03,093
<b>TOTAL</b>	<b>59,49,71,924</b>	<b>31,30,58,223</b>
<b>Earnings: -</b>		
Sale of Goods	1,86,30,76,248	1,31,41,36,473
<b>TOTAL</b>	<b>1,86,30,76,248</b>	<b>1,31,41,36,473</b>

**C)** Details of foreign currency fluctuation gain for the year ended March 31, 2017 aggregates to:-

₹ in rupees

PARTICULARS	As at 31st March 2017
From:-	
Purchase	78,11,284
Sales	76,54,074
Bank A/c	-1,01,37,257
<b>TOTAL</b>	<b>53,28,101</b>



**Borrowing Cost:**

There is no borrowing cost that is attributable to acquisition or development of qualify intangible / intangibles sets, which is to be capitalized till the date they are put to use.

**Note No. 50**

Disclosures as required by Clause 32 of the Listing Agreement

₹ in rupees

PARTICULARS	As at 31st March 2017	As at 31st March 2016
LOANS AND ADVANCES		
	-	-
CONSUMPTION OF RAW MATERIAL		
Raw Material Consumed	1,99,51,51,255	1,72,93,91,614
DETAILS OF CONSUMTION OF IMPORTED AND INDIGENOUS STOCK		
Imported	1,02,21,96,644	58,62,32,416
Indigenous	97,29,54,611	1,14,31,59,198
EARNING IN FOREIGN EXCHANGE		
Sale of Goods	1,86,30,76,248	131,41,36,473

**Note No. 51**

Quantitative Details of Major material consumed in Manufacturing

(In Kgs)

Particulars	OPENING STOCK	PURCHASES	CLOSING STOCK	CONSUMPTION Qty
<b>Raw Material</b>				
Tin Alloy / Inogts	51,879	1,97,182	93	2,48,969
2 Ethylhexyl Thioglycolate	81,145	3,83,000	74,326	3,89,819
Hydrogen Peroxide	1,03,203	-	-	1,03,203
PVC Resin	9,66,006	81,17,225	17,62,044	73,21,187
Styrene Butadiene Copolymer	48,261	9,78,575	14,201	10,12,635
Styrene Butadiene Styrene	11,726	16,03,468	1,22,796	14,92,398
Methyl Chloride (Gas)	13,469	63,600	7,053	70,016

**Quantitative Details of Traded Goods**

Particulars	OPENING STOCK	Purchase Qty	Trading Sales Qty	Stock Transfer Qty	CLOSING STOCK
2EHTG	0	16000		16000	0
Ethylene Propylene Rubber KEP 960N	0	13920		13920	0
EVA Resin	0	870000	870000		0
K-Resin Styrene Butadiene Co-Polymers	0	36000		36000	0
Plastic Granuals	0	316202	316202		0
Plastic Raw Material	0	762000	762000		0
PVC Resin	340000	7777149	6712649	1404500	0
SBS Thermoplastic Elastomers	0	1102000	1078000	24000	0
STANNANE/ DMTDC	0	36000	36000		0
Synthetic Rubber	0	16800		16800	0
Tin Ingots	10020	120111		130131	0

**FOR KSMC AND ASSOCIATES**  
Chartered Accountants  
(FRN: 003565N)

For and on behalf of the Board of Directors

CA.PRASHANT CHANNA  
PARTNER  
Membership No.: 530041

VIKAS GARG  
(MANAGING DIRECTOR)  
00255413

SUMER CHAND TAYAL  
(DIRECTOR)  
00255661

Place: NEW DELHI  
Date: 29.05.2017

SIDDHARTH AGRAWAL  
(COMPANY SECRETARY)

ASHUTOSH KUMAR VERMA  
(CHIEF EXECUTIVE OFFICER)

ANJAVI PANDYA  
(CHIEF FINANCIAL OFFICER)

# VIKAS ECOTECH LIMITED

CIN NO:-L65999DL1984PLC019465, E-Mail ID:- accounts@vikasecotech.com

VIKAS APARTMENTS, 34/1, EAST PUNJBAI BAGH, NEW DELHI PIN-110026

## Provisional Balance Sheet as at 25th October, 2017

PARTICULARS	NOTE	AS AT 25-10-2017	AS AT 31-03-2017
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	2	27,98,99,675	27,98,99,675
Reserves and Surplus	3	1,28,72,86,343	1,03,35,38,264
		<b>1,56,71,86,018</b>	<b>1,31,34,37,939</b>
<b>Non-Current Liabilities</b>			
Long-term borrowings	4	6,62,31,482	8,02,60,036
Deferred tax liabilities (Net)	5	-	-
Other Long-term liabilities	6	43,19,078	27,36,763
Long-term provisions		-	-
		<b>7,05,50,560</b>	<b>8,29,96,799</b>
<b>Current Liabilities</b>			
Short-term borrowings	7	1,26,36,83,256	99,92,43,351
Trade payables	8	78,21,11,385	42,52,65,739
Other current liabilities	9	9,92,67,177	7,09,31,284
Short-term provisions	10	27,94,48,851	16,19,85,711
		<b>2,42,45,10,669</b>	<b>1,65,74,26,086</b>
<b>TOTAL</b>		<b>4,06,22,47,247</b>	<b>3,05,38,60,823</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
-Tangible Assets	11	28,73,59,473.52	27,45,88,583
-Intangible Assets			
-Capital work-in-Progress			
Deferred tax assets (net)	5	2,17,97,174	2,17,97,174
Non - Current Investment	12	4,17,051	4,17,051
Long-term loans and advances			-
Other non-current assets	13	21,44,241	36,58,657
		<b>31,17,17,939</b>	<b>30,04,61,465</b>
<b>Current assets</b>			
Branch & Division			-
Current Investments			
Inventories	14	72,41,01,139	56,64,13,825
Trade receivables	15	2,25,23,72,615	1,51,59,53,160
Cash and cash equivalents	16	4,87,89,846	19,32,00,164
Short-term loans and advances	17	55,09,21,875	37,76,79,411
Other Current Assets	18	17,43,43,833	10,01,52,799
		<b>3,75,05,29,308</b>	<b>2,75,33,99,358</b>
<b>TOTAL</b>		<b>4,06,22,47,247</b>	<b>3,05,38,60,823</b>

**NOTES TO ACCOUNTS: forming part of Financial Statement**

As per our report of even data attached

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

**FOR KSMC AND ASSOCIATES**

Chartered Accountants  
(FRN:-03565N)

For and on behalf of the Board of Directors

**VIKAS GARG**  
(MANAGING DIRECTOR)  
00255413

**CA.MUKESH AGGARWAL**  
M NO. 089109

**SIDDHARTH AGRAWAL**  
(COMPANY SECRETARY)

**ASHUTOSH KUMAR VERMA**  
(CEO)

PLACE : NEW DELHI

DATE:

VIKAS ECOTECH LIMITED

Notes Forming Part of Balance Sheet as on 31st March 2017

NOTE 2: SHARE CAPITAL

Particulars	25.10.2017		2016-17		2015-16	
	Number	Amount	Number	Amount	Number	Amount
<b>AUTHORIZED CAPITAL</b>						
(32,00,00,000 Equity shares of Rs. 1/- par value )	32,00,00,000	32,00,00,000	32,00,00,000	32,00,00,000	26,00,00,000	26,00,00,000
<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>						
25,42,39,675 Equity shares of Rs. 1/- par value	25,42,39,675	25,42,39,675	25,42,39,675	25,42,39,675	25,42,39,675	25,42,39,675
2,56,60,000 Equity shares of Rs. 1/- par value (issued on preferential basis during the year )	2,56,60,000	2,56,60,000	2,56,60,000	2,56,60,000	-	-
<b>Total</b>	<b>27,98,99,675</b>	<b>27,98,99,675</b>	<b>27,98,99,675</b>	<b>27,98,99,675</b>	<b>25,42,39,675</b>	<b>25,42,39,675</b>

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	25.10.2017		2016-17		2015-16	
	Number	Amount	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	27,98,99,675	27,98,99,675	25,42,39,675	25,42,39,675	25,42,39,675	25,42,39,675
Bonus Shares Issued during the year	-	-	-	-	-	-
Equity Shares Issued during the year on preferential basis	-	-	2,56,60,000	2,56,60,000	-	-
Shares Issued During the year (ESOP)	-	-	-	-	-	-
Redeemed or bought back during the year	-	-	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>27,98,99,675</b>	<b>27,98,99,675</b>	<b>27,98,99,675</b>	<b>27,98,99,675</b>	<b>25,42,39,675</b>	<b>25,42,39,675</b>

Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	25.10.2017		2016-17		2015-16	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Vikas Garg	4,83,43,855	17	4,83,43,855	17.27%	5,03,62,250	19.81%
Moonlite Technochem Private Limited	4,11,06,140	15	4,11,06,140	14.69%	4,32,21,141	17.00%
Athena Multitrade Pvt. Ltd.	-	-	-	0.00%	2,04,31,500	8.04%
Jayanti Shyam Ji Chedda-HUF	2,00,00,000	7	2,00,00,000	7.15%	-	0.00%

Notes:

Equity shares: - The Company has only one class of Equity having a par value Rs. 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTE :3 RESERVE & SURPLUS

Particulars	25.10.2017	31st March 2017	31st March 2016
<b>Capital Reserves *</b>			
Opening Balance CR	9,65,934	9,65,934	9,65,934
Add: Addition during the year	-	-	-
Less: Deletion during the year	-	-	-
Closing Balance	9,65,934	9,65,934	9,65,934
<b>Securities Premium Account</b>			
Opening Balance SP	41,05,60,000	-	-
Add: Addition during the year	-	41,05,60,000	-
Less: Deletion during the year	-	-	-
Closing Balance	41,05,60,000	41,05,60,000	-
<b>General Reserve</b>			
Opening Balance GR	18,11,63,693	16,49,94,432	14,71,20,475
Add: Addition during the year	-	1,62,19,193	1,78,73,954
Less: Deletion during the year	-	-	-
- Bonus Shares	-	-	-
- Reversal of Fixed Assets Expired Useful Life	-	-	-
Closing Balance	18,11,63,693	18,12,13,625	16,49,94,429
<b>Profit and Loss Account</b>			
Opening As Per Last Balance Sheet	44,07,98,705	24,22,38,547	2,00,70,173
Add: Addition during the year	25,37,98,011	23,17,02,762	25,53,42,219
Less : Profit Trf. To HO	-	-	-
- Dividend Made	-	(1,39,94,984)	(1,27,11,984)
- Dividend Distribution Tax	-	(29,28,427)	(25,87,906)
- Transfer to General Reserve	-	(1,62,19,193)	(1,78,73,954)
Closing Balance	69,45,96,716	44,07,98,705	24,22,38,547
<b>Employee Stock Option Reserve **</b>			
Less:- Written off/Transfer	-	-	1,05,03,337
Closing Balance	-	-	-
<b>Balance Carried forward to Balance Sheet</b>	<b>1,28,72,86,342.72</b>	<b>1,03,35,38,264</b>	<b>40,81,98,910</b>

## NOTE: 4 LONG TERM BORROWINGS

Particulars	25.10.2017	31st March 2017	31st March 2016
<b>(a) Term loans from banks</b>			
<b>Loan taken for vehicles secured</b>			
HDFC - Vehicle Loan (Agreement No 24353585 )	-	-	-
HDFC - Vehicle Loan (Agreement No 25941597)	-	-	-
HDFC - Volvo Loan (Account No 38982281)	-	25,59,462	-
ICICI- Jaguar Loan (Account No 00035146099)	50,06,852	38,82,834	-
Toyota Financial Services India Ltd.-Innova Loan (A/c No. NDEL1085441)	-	12,92,961	-
ICICI Bank-LADEL00026826516	-	-	-
ICICI Loan No.-LADEL00026874591	-	-	-
<b>Loan taken for Business secured</b>			
ICICI Loan No.-LADEL00002038205 (in the name of Sigma Plastic Industries)	3,34,09,988	3,56,31,135	3,96,94,710
<b>Loan taken for fixed assets secured</b>			
OBC TL - 08767025002281	2,78,14,642	2,52,11,644	3,52,60,747
OBC TL - 11167015000461	-	-	47,92,386
OBC TL - 08767025001865	-	1,16,82,000	1,73,32,761
<b>Loans from related parties</b>			
	-	-	-
<b>Total</b>	<b>6,62,31,482</b>	<b>8,02,60,036</b>	<b>9,70,80,604</b>

Particulars	25.10.2017	31st March 2017	31st March 2016
<b>Current Maturities of the Loan taken for vehicles</b>			
HDFC - Vehicle Loan (Agreement No 24353585 )	-	-	45,066
HDFC - Vehicle Loan (Agreement No 25941597)	-	-	-
HDFC - Volvo Loan (Account No 38982281)	-	21,43,667	-
ICICI- Jaguar Loan (Account No 00035146099)	46,13,736	19,71,026	-
Toyota Financial Services India Ltd.-Innova Loan (A/c No. NDEL1085441)	-	2,91,539	-
ICICI Bank-LADEL00026826516	43,13,567	-	-
ICICI Loan No.-LADEL00017599702	-	-	-
ICICI Loan No.-LADEL00026874591	-	-	2,11,315
<b>Loan taken for Business secured</b>			
ICICI Loan No.-LADEL00002038205 (in the name of Sigma Plastic Industries)	-	40,63,575	36,06,217
<b>Current Maturities of the Loan taken for fixed assets</b>			
OBC TL - 08767025002281	1,53,99,996	90,52,992	98,40,209
OBC TL - 11167015000461	-	40,23,611	50,40,000
OBC TL - 08767025001865	-	49,68,000	54,00,000
Other	-	-	-
<b>Total</b>	<b>2,43,27,299</b>	<b>2,65,14,410</b>	<b>2,41,42,807</b>

## NOTE: 5 DEFERRED TAX

Particulars	25.10.2017	31st March 2017	31st March 2016
<b>Deferred Tax Assests</b>			
Deferred Tax Assests Depreciation	2,17,97,174	2,17,97,174	17,14,757
<b>Total</b>	<b>2,17,97,174</b>	<b>2,17,97,174</b>	<b>17,14,757</b>

## NOTE: 6 OTHER LONG TERM LIABILITIES

Particulars	25.10.2017	31st March 2017	31st March 2016
Provision for Gratuity	43,19,078	27,36,763	8,75,622
<b>Total</b>	<b>43,19,078</b>	<b>27,36,763</b>	<b>8,75,622</b>

## NOTE: 7 SHORT TERM BORROWINGS

Particulars	25.10.2017	31st March 2017	31st March 2016
<b>Secured</b>			
<b>Loans Repayable on Demands - From Banks</b>			
<b>Cash Credit Limits</b>			
Cash Credit Bank of Baroda	9,69,90,114	10,20,44,985	23,72,76,415
Cash Credit DBS	82,21,864	(7,42,46,777)	-
Cash Credit HSBC	10,98,79,295	-	-
Cash Credit Oriental Bank Of Commerce	42,27,23,838	36,90,82,767	27,95,39,571
Cash Credit Punjab National Bank	7,91,98,434	7,67,84,460	-
<b>PCFC &amp; FCBRD Limits</b>			
PCFC & FCBRD Bank of Baroda	-	5,60,88,065	10,97,28,142
PCFC & FCBRD DBS	-	13,84,29,209	-
PCFC & FCBRD Oriental Bank Of Commerce	54,66,69,711	26,14,09,063	18,81,76,242
PCFC & FCBRD Punjab National Bank	-	6,96,51,579	-
<b>Total</b>	<b>1,26,36,83,256</b>	<b>99,92,43,351</b>	<b>81,47,20,370</b>

## NOTE: 8 TRADE PAYABLES

Particulars	25.10.2017	31st March 2017	31st March 2016
Sundry Creditors (subject to confirmation and reconciliation)	78,21,11,385	42,52,65,739	44,89,41,279
<b>Total</b>	<b>78,21,11,385</b>	<b>42,52,65,739</b>	<b>44,89,41,279</b>

**NOTE: 9 OTHER CURRENT LIABILITIES**

Particulars	25.10.2017	31st March 2017	31st March 2016
Current Maturities of Long Term Loan debt (Note No. 4)	2,43,27,299	2,65,14,410	2,41,42,807
	2,43,27,299	2,65,14,410	2,41,42,807
<b>Other Payables</b>			
Duties and Taxes	90,83,993	1,97,84,092	20,20,382
Advance From Customers	1,57,76,327	96,54,792	87,77,696
Expenses Payable	1,04,34,898	88,54,922	42,86,050
Advance Received against Property	3,80,97,400	45,21,000	
Current Account with Bank	-	-	6,47,74,225
Other current Expenses & liability	15,47,260	16,02,068	11,46,732
	7,49,39,878	4,44,16,875	8,10,05,084
<b>Total</b>	<b>9,92,67,177</b>	<b>7,09,31,284</b>	<b>10,51,47,892</b>

**NOTE: 10 SHORT TERM PROVISIONS**

Particulars	25.10.2017	31st March 2017	31st March 2016
Dividend on Equity Shares		1,39,94,984	1,27,11,984
Dividend Distribution Tax		29,28,427	25,87,906
Current tax Provision	27,94,48,851	14,50,00,000	13,24,36,448
Provision for Gratuity (Short Term)		62,300	16,182
<b>Total</b>	<b>27,94,48,851</b>	<b>16,19,85,711</b>	<b>14,77,52,520</b>

**NOTE : 12 NON-CURRENT INVESTMENTS**

Particulars	25.10.2017	31st March 2017	31st March 2016
LIC Group Insurance (fair value as reported in actuarial valuation report)	4,17,051	4,17,051	3,86,179
<b>Total</b>	<b>4,17,051</b>	<b>4,17,051</b>	<b>3,86,179</b>

**NOTE 13: OTHER NON- CURRENT ASSETS**

Particulars	25.10.2017	31st March 2017	31st March 2016
Security Deposit (Unsecured and considered good)	21,44,241	36,58,657	18,87,674
<b>Total</b>	<b>21,44,241</b>	<b>36,58,657</b>	<b>18,87,674</b>

**NOTE: 14 INVENTORIES**

Particulars	31st March 2017	31st March 2016
(Valued at Lower of cost or NRV unless otherwise stated) (As valued and certified by the management)		
Finished Goods	4,37,78,989	2,53,65,043
Real Estate Inventory	1,22,45,927	1,22,45,927
Traded Goods	-	3,02,95,454
Raw Material	37,96,02,388	28,01,95,935
Capital WIP - Real Estate	1,43,70,612	1,43,70,612
Goods in Transit	11,64,15,909	1,29,82,576
<b>Total</b>	<b>56,64,13,825</b>	<b>37,54,55,547</b>

**NOTE: 15 TRADE RECEIVABLES**

Particulars	25.10.2017	31st March 2017	31st March 2016
(subject to confirmation and reconciliation)			
<b>Outstanding for more than six months</b>			
Unsecured, Considered Good : TR	2,25,23,72,615	3,04,72,037	3,57,79,303
Less: Provision for doubtful debts			
<b>Sub Total</b>	<b>2,25,23,72,615</b>	<b>3,04,72,037</b>	<b>3,57,79,303</b>
<b>Outstanding for less than six months</b>			
Unsecured, Considered Good		1,48,54,81,123	1,37,05,83,293
Less: Provision for doubtful debts			
<b>Sub Total</b>	<b>-</b>	<b>1,48,54,81,123</b>	<b>1,37,05,83,293</b>
<b>Total</b>	<b>2,25,23,72,615</b>	<b>1,51,59,53,160</b>	<b>1,40,63,62,596</b>

**NOTE 16: CASH AND CASH EQUIVALENT**

Particulars	25.10.2017	31st March 2017	31st March 2016
Cash-in-Hand			
Cash in Hand	10,68,098	22,42,197	12,09,411



<b>Bank Balance</b>		<b>10,68,098</b>	<b>22,42,197</b>	<b>12,09,411</b>
Bank Current Account		15,83,292	13,94,28,450	5,34,648
Unpaid Dividend Account*		15,99,233	15,99,233	11,33,708
Margin Money with Bank (Bank Gaurantee & FDR)		4,45,39,223	4,99,30,283	4,11,96,402
		<b>4,77,21,748</b>	<b>19,09,57,967</b>	<b>4,28,64,758</b>
<b>Total</b>		<b>4,87,89,846</b>	<b>19,32,00,164</b>	<b>4,40,74,170</b>

\* There is no Amount in unpaid Dividend Account which is transferable to Investor Protection Fund Account

**NOTE: 17 SHORT TERM LOANS AND ADVANCES**

Particulars	25.10.2017	31st March 2017	31st March 2016
Margin Money with Suppliers	-	-	3,62,000
Advance to Suppliers	51,45,84,661	35,13,32,080	8,74,45,530
Advance to Staff	1,67,507	21,79,407	6,16,750
Oriental Insurance company advance	-	20,452	-
Advance Against Fixed Assets	3,61,69,707	5,00,000	-
Advance Against Capital Assets	-	2,36,47,472	72,49,720
	55,09,21,875	37,76,79,411	9,56,74,000
<b>Total</b>	<b>55,09,21,875</b>	<b>37,76,79,411</b>	<b>9,56,74,000</b>

Advance to Suppliers includes Rs. 96,50,143/- (Rs. Ninety Six lac fifty thousand one hundred forty three only ) to the Moonlite Technochem Private Limited in which Director of Vikas Ecotech Limited is also a Director and 1,69,84,258/- (Rs. one crore sixty nine lac eighty four thousand two hundred fifty eight only) to the Vikas Ploymer (India) in which Director of Vikas Ecotech Limited is also a Partner.

Advance against Capital Assets includes Rs. 6,22,220/- (Rs. Six lac twenty two thousand and two hundred twenty only ) to the MM Infosystems Private Limited in which Director of Vikas Ecotech Limited is also a Director.

**NOTE: 18 OTHER CURRENT ASSETS**

Particulars	25.10.2017	31st March 2017	31st March 2016
Security Deposit (Unsecured and considered good)			
Other Current Assets	72,93,649	45,57,891	55,23,459
Input Credit/Cenvat Credit Receivable	-	2,63,10,714	44,75,838
TDS/TCS Receivable 2016-2017	1,25,017	5,81,371	4,62,895
Advance Income Tax	8,00,00,000	2,50,00,000	1,23,50,000
PLA Excise	-	5,39,788	7,13,693
Receivable Govt. department	8,05,24,667	3,83,35,196	4,42,44,533
Interest Receivable	-	16,63,335	37,04,967
Prepaid Expenses	64,00,500	31,64,503	9,00,546
		-	-
<b>Total</b>	<b>17,43,43,833</b>	<b>10,01,52,799</b>	<b>7,23,75,931</b>

## VIKAS ECOTECH LIMITED

CIN NO:-L65999DL1984PLC019465, E-Mail ID:- accounts@vikasecotech.com

VIKAS APARTMENTS, 34/1, EAST PUNJBAI BAGH, NEW DELHI-110026

### Provisional Profit and Loss statement for the year ended on 25th Oct, 2017

PARTICULARS	NOTE	FOR THE PERIOD ENDED ON 25TH OCT 2017	FOR THE YEAR ENDED ON 31ST MARCH 2017
<b>Revenue</b>			
Revenue from Operations		2,85,68,09,506	3,87,64,57,323
Less: Excise Duty		(6,13,02,379)	(16,28,55,910)
<b>Net Sales</b>	19	<b>2,79,55,07,127</b>	<b>3,71,36,01,413</b>
Other Income	20	2,35,11,549	1,66,92,841
<b>Total Revenue</b>		<b>2,81,90,18,676</b>	<b>3,73,02,94,255</b>
<b>Expenses</b>			
Cost of Material Consumed	21	1,70,66,56,573	1,99,51,51,255
Purchases of Stock-in-Trade	22	49,05,39,033	76,08,82,265
Changes in inventories	23	2,30,560	3,02,95,454
Employee benefit expense	24	3,25,18,494	5,25,56,398
Financial costs	25	6,48,49,489	13,00,80,452
Depreciation and amortization expense	26	1,62,46,651	4,26,67,371
Other Expenses	27	11,98,48,176	19,88,38,297
<b>Total Expenses</b>		<b>2,43,08,88,975</b>	<b>3,21,04,71,492</b>
Profit before exceptional, extraordinary and prior period items and Tax		38,81,29,701	51,98,22,763
Exceptional Item			-
Profit before extraordinary and prior period items and Tax		38,81,29,701	51,98,22,763
Extraordinary Items			16,31,07,919
Prior period item			94,499
Profit before tax		<b>38,81,29,701</b>	<b>35,66,20,345</b>
Tax expense:			
Current tax		13,43,31,690	14,50,00,000
Mat Credit Availed		-	-
Deferred tax		-	(2,00,82,417)
Excess/ Short provision relating earlier year tax			
Profit(Loss) from the period from continuing operations (after tax)		<b>25,37,98,011</b>	<b>23,17,02,762</b>
Profit/(Loss) from discontinuing operations		-	-
Tax expense of discounting operations		-	-
Profit/(Loss) from Discontinuing operations (after tax)		-	-
Profit/(Loss) for the period		<b>25,37,98,011</b>	<b>23,17,02,762</b>
Share Earning from Partnership Firm			-
<b>Profit/(Loss) for the period</b>		<b>25,37,98,011</b>	<b>23,17,02,762</b>
Earning per equity share:			
(1) Basic			0.83
(2) Diluted			0.83

**NOTES TO ACCOUNTS: forming part of Financial Statement**

As per our report of even data attached

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

**FOR KSMC AND ASSOCIATES**

Chartered Accountants  
Chartered Accountants  
(FRN:-03565N)

CA.MUKESH AGGARWAL  
M NO. 089109

SIDDHARTH AGRAWAL  
(COMPANY SECRETARY)

**For and on behalf of the Board of Directors**

VIKAS GARG  
(MANAGING DIRECTOR)  
00255413

ASHUTOSH KUMAR VERMA  
(CEO)

PLACE : NEW DELHI

DATE:

VIKAS ECOTECH LIMITED

Notes Forming Part of the Profit & Loss Accounts for the FY 2016-17

Stock Transfer

NOTE: 19 REVENUE FROM OPERATIONS

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
Sales of Product	2,79,55,07,127	3,71,36,01,413	3,07,15,20,140
Domestic	1,21,48,29,138	1,78,29,67,865	1,58,18,13,907
Export	1,58,06,77,989	1,93,06,33,548	1,48,97,06,234
<b>Other Operative Income</b>			
Revenue Franchise		-	
Other Operative Income		-	
<b>Total</b>	<b>2,79,55,07,127</b>	<b>3,71,36,01,413</b>	<b>3,07,15,20,140</b>

Sales of Product includes following transactions with the related party:

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
Moonlite Technochem Private Limited		5,24,01,895	8,13,57,063.00
Vikas Polymers (India)		-	21,37,325.00

NOTE: 20 OTHER INCOME

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
Commission & Interest Income	28,82,060	42,01,269	33,01,543
Job Work	3,25,000	-	33,500
Other Non-Operating Income	6,26,944	-	-
Foreign Exchange Flucation	1,63,16,991	53,28,102	58,06,318
Excise Refund	-	13,39,123	39,94,791
Rent on Investment Properties	9,00,000	12,00,000	12,00,000
Rebate and Discount Income	15,59,474	7,13,315	1,38,83,971
Export Incentive	8,73,279	30,79,917	95,70,029
Employee Stock Option reversal	-	-	1,05,03,337
Profit on sale of car	-	8,31,116	-
Other Receipts	27,802	-	15,642
<b>Total</b>	<b>2,35,11,549</b>	<b>1,66,92,841</b>	<b>4,83,09,132</b>

NOTE: 21 COST OF MATERIAL CONSUMED

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
Inventory at the beginning			-
Raw Material, WIP and Finished Goods OP	44,99,97,915	30,55,60,978	20,85,80,370
	44,99,97,915	30,55,60,978	20,85,80,370
Add: Opening Stock of Sigma Plastic Industries (due to acquisition)			-
Raw Material, WIP and Finished Goods		-	933
	-	-	933
Add: Purchases			
Raw Material	2,47,15,29,390	2,21,95,21,442	1,82,63,72,223
	2,47,15,29,390	2,21,95,21,442	1,82,63,72,223
Less:- Inventory lost by fire		10,65,49,789	
Less: Inventory at the end			
Raw Material, WIP and Finished Goods	72,41,01,139	42,33,81,377	30,55,60,978
	72,41,01,139	42,33,81,377	30,55,60,978
<b>Total</b>	<b>2,19,74,26,166</b>	<b>1,99,51,51,255</b>	<b>1,72,93,91,615</b>

Details of Inventory

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
<b>Raw Material</b>			
Raw Material, WIP and Finished Goods		42,33,81,377	30,55,60,978
	-	<b>42,33,81,377</b>	<b>30,55,60,978</b>

**NOTE NO 22: PURCHASE OF TRADED GOODS**

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
Purchase of traded goods	49,05,39,033	76,08,82,265	66,74,28,984
<b>Total</b>	<b>49,05,39,033</b>	<b>76,08,82,265</b>	<b>66,74,28,984</b>

Purchase of Stock in Trade and Raw Material includes following transactions with the related party:

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
Moonlite Technochem Private Limited		16,81,35,179	11,29,03,456.61
Vikas Polymers (India)		8,64,23,275	7,40,09,328.00

**NOTE: 23 CHANGE IN INVENTORIES**

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
<b>Inventory at the end of the year</b>			
Traded Goods & Real Estate Inventory	2,63,85,979	2,66,16,539	5,69,11,993
	<b>2,63,85,979</b>	<b>2,66,16,539</b>	<b>5,69,11,993</b>
<b>Inventory at the beginning of the year</b>			
Traded Goods & Real Estate Inventory	2,66,16,539	5,69,11,993	3,23,95,814
Add: Opening Stock of Sigma Plastic Industries (Earlier Associate Concern now 100% Owned)			
	<b>2,66,16,539</b>	<b>5,69,11,993</b>	<b>3,23,95,814</b>
<b>(Increase)/Decrease in Inventory (Traded Goods &amp; Real Estate Inventory)</b>	<b>2,30,560</b>	<b>3,02,95,454</b>	<b>(2,45,16,179)</b>

**NOTE: 24 EMPLOYEE BENEFIT EXPENSES**

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
<b>Salary and Wages</b>			
Salary including Employee Benefits	2,06,38,368	3,59,96,739	2,59,71,055
Wages including Employee Benefits	90,98,532	1,09,22,044	34,80,934
Contribution of Employer on Provident and Other Fund	5,57,005	10,16,985	7,59,666
Staff Welfare Expenses	5,34,287	18,10,630	6,09,436
Director Remuneration	16,90,302	28,10,000	22,80,000
<b>Total</b>	<b>3,25,18,494</b>	<b>5,25,56,398</b>	<b>3,31,01,091</b>

**NOTE: 25 FINANCIAL COST**

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
<b>Interest</b>			
Interest on Borrowing	5,14,00,771	8,17,74,856	7,38,11,574
Interest On Long-term Loans From Banks	23,28,371	1,40,44,184	82,29,085
Other Interests	6,01,524	1,72,03,566	16,28,278
other Financing Charges	1,05,18,823	1,70,57,847	2,99,58,915
<b>Total</b>	<b>6,48,49,489</b>	<b>13,00,80,452</b>	<b>11,36,27,852</b>

**NOTE: 26 DEPRECIATION & AMORTISED EXPENSE**

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
Depreciation on tangible assets	1,62,46,651	4,26,67,371	3,37,07,715
Amortization on Intangible Assets		-	-
<b>Total</b>	<b>1,62,46,651</b>	<b>4,26,67,371</b>	<b>3,37,07,715</b>

## NOTE: 27 OTHER EXPENSES

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
<b>(A) Manufacturing and other Direct Expenses</b>			
Custom Duty	35,00,141	72,93,817	1,79,90,356
Freight	1,44,00,251	2,23,55,594	3,83,92,427
Clearing & Forwarding Exp	68,40,580	-	-
Loading and Unloading expenses	14,90,608	28,87,210	29,14,419
Power and fuel	1,06,27,546	2,61,02,327	2,23,99,714
Demurrage and Inland Haulage Charges	75,55,538	3,49,17,847	3,44,61,471
Consumption of Stores and Spare Parts	34,65,630	54,82,447	43,88,819
Other Direct expenses	19,31,027	79,20,080	1,06,04,798
<b>Total Manufacturing &amp; Other Direct Expenses</b>	<b>4,98,11,321</b>	<b>10,69,59,320</b>	<b>13,11,52,003</b>
<b>(B) Other Administrative &amp; Selling Expenses</b>			
Legal and Professional Charges	1,45,88,337	1,59,43,627	44,72,701
Expenses on Corporate Social Responsibility	57,31,000	35,30,120	15,00,000
Conveyance Expenses	3,33,704	8,58,881	6,90,964
Advertisement and Business Promotion	13,63,509	22,15,421	18,21,507
Rent	24,22,049	10,45,031	11,68,647
Electricity Expenses	16,32,864	9,19,074	9,84,572
Communication Connectivity expenses	1,46,915	12,85,992	13,17,955
Travelling Expenses	30,07,315	77,06,313	40,42,731
Vehicle Running Expense	3,99,836	6,13,713	3,67,302
Donation	1,02,70,100	41,38,600	16,71,800
Repair and Maintenance - Plant and Machinery	-	18,99,634	5,11,925
Repair and Maintenance - Others	17,43,266	6,54,398	24,20,769
Repair and Maintenance - Building	13,81,938	27,464	79,812
Freight Outward	1,36,73,449	2,74,20,673	41,75,450
Security Charges	19,94,143	26,40,883	20,44,765
Rates and Taxes	2,69,274	6,01,998	43,63,915
Insurance Expenses	9,81,115	32,20,341	38,92,723
Printing and Stationery	3,04,314	16,32,400	7,32,100
Director Sitting Fees	60,000	2,80,000	2,23,000
Auditors Remuneration	4,40,000	8,00,000	6,29,750
Rebate and Discount	5,89,498	9,43,083	99,120
Commission paid	-	4,50,583	9,61,360
Miscellaneous Expenses	87,04,228	1,05,836	1,29,597
Other Expenditure	-	1,29,44,912	66,78,449
<b>Total Indirect Expenses</b>	<b>7,00,36,855</b>	<b>9,18,78,977</b>	<b>4,49,80,915</b>
<b>Total</b>	<b>11,98,48,176</b>	<b>19,88,38,297</b>	<b>17,61,32,918</b>

## NOTE: 27(a) OTHER EXPENSES

## Current Tax

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
Current Tax pertaining to Current Year		14,50,00,000	13,51,61,305
<b>Total</b>	<b>-</b>	<b>14,50,00,000</b>	<b>13,51,61,305</b>

## Exceptional Items

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
Loss by Fire (Plant and Machinery)		3,97,30,957	-
Loss by Fire (Building)		1,68,27,173	
Loss by Fire (Stock)		10,65,49,789	
<b>Total</b>	<b>-</b>	<b>16,31,07,919</b>	<b>-</b>

## Deffered Tax

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
Deffered Tax		2,00,82,417	17,83,319
<b>Total</b>	<b>-</b>	<b>2,00,82,417</b>	<b>17,83,319</b>

## Excess/short provision Relating to earlier year Tax

PARTICULARS	25.10.2017	31th March 2017	31ST MARCH 2016
Short Provision of Tax pertaining to previous years		-	38,46,649
<b>Total</b>	<b>-</b>	<b>-</b>	<b>38,46,649</b>



**KSMC & ASSOCIATES**  
Chartered Accountants

## Independent Auditor's Report

To

The Members of VIKAS MULTICORP LIMITED (Formerly Known as Moonlite Technochem Pvt Ltd)

### Report on the financial statements

We have audited the attached Financial Statements of M/s VIKAS MULTICORP LIMITED ("the Company") (Formerly Known as Moonlite Technochem Pvt Ltd), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss for the year then ended and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "the financial statements").

### 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 financial statements that give a true and fair view of the financial position and financial performance 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 of 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, which have been used for the purpose of preparation of the financial statements by the Directors of the Company, as aforesaid.

### Auditor's responsibilities

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

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





An audit involves performing procedures to obtain audit evidence about the amounts and the 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.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of 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 on the financial statements.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial controls 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 unauthorized 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 and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017; its profit and cash flows for the year ended on that date.



### Other Matters

Certain balances as on year end such as Closing Stock, Fixed Assets and Cash in Hand are certified by the management and relied upon by us. Balances of Loans and Advances including advance from customers and advance paid to suppliers (domestic and overseas both), Creditors and Debtors (domestic and overseas both) are subject to confirmation/reconciliation and consequential adjustments if any.

Our opinion on the financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on financial statements / financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Company, we give in the Annexure-A 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, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except as otherwise stated in accounting policies and notes to financial statements.
  - e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) In our opinion considering the nature of business, size of operation and organizational structure of the entity, 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<sup>st</sup> March 2017, 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 read in conjunction with implementation guide on audit of Internal financial controls over financial reporting with specific reference to smaller, less complex companies issued by the Institute of Chartered Accountants of India.





- 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has no pending litigations as on 31<sup>st</sup> March 2017
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

For KSMC & ASSOCIATES

Chartered Accountants

Firm Regn. No. 003565N

CA PRASHANT CHANNA

Partner

Membership No.: 530041

Place: New Delhi

Date : 29.05.2017



## ANNEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in our report to the members of VIKAS MULTICORP LIMITED("the Company") for the year ended March 31, 2017. We report that:

<u>S. No.</u>	<u>Particulars</u>	<u>Auditor's Remarks</u>
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	As informed and explained to us, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. We have relied solely on management representation given to us in this regard.
	(b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner and no material discrepancies were noticed on such physical verification. We have relied solely on management representation given to us in this regard
	(c) Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	According to information and explanations given to us and on the basis of examination of the records of the company, the title deeds of immovable properties are held in the name of the Company
(ii)	whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	In our opinion according to information given to us, the inventories have been physically verified during the year by the Management at reasonable intervals and as explained to us no material discrepancies were noticed on physical verification. We have relied solely on management representation given to us in this regard
(iii)	Whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so,	As per information and explanation given to us, the company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
	(a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	As per information and explanation given to us, the company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence, this clause is not applicable.





	(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	As per information and explanation given to us, the company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence, this clause is not applicable.
	(c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	As per information and explanation given to us, the company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence, this clause is not applicable.
(iv)	In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	As per information and explanation given to us, the company has not given or made any investments, or provided any guarantee and security covered under section 185 and 186 of Companies Act, 2013. Accordingly the provision of clause 3(iv) of the order is not applicable.
(v)	in case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	According to the information and explanations given to us, the Company has not accepted any deposit within meaning of section 73 to 76 of the Companies Act, 2013 and rules framed there under during the year. Accordingly the provision of clause 3(iv) of the order is not applicable.
(vi)	Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.	As per information and explanation given to us, the Company is not required to maintain cost records as required as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.



(vii)	(a) whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of undisputed statutory dues including income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been deposited during the year by the Company with the appropriate authorities but delay in deposit of the same has been observed in some of the cases.
	(b) where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	According to - the information and explanations given to us, there is no amount of dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute.
(viii)	Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).	In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and Government or dues to debenture holders during the year.
(ix)	Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	In our opinion and according to the information and explanations given to us, monies raised by way of initial public offer or further public offer (including debt instruments) and term loans during the year have been applied by the Company for the purposes for which they were raised.
(x)	whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.





(xi)	Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;	According to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
(xii)	whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
(xiii)	Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
(xiv)	Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	As per information and explanation given to us. The Company has not made any preferential or private placement during year but has made right issue of 27,50,000 shares during the year under consideration and as per information and explanation given to us all relevant requirement have been complied with and the amount raised have been used for the purposes for which the funds were raised.
(xv)	whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;	As per information and explanation given to us the company has not entered into any non-cash transactions with directors or persons connected with him, hence the provisions of section 192 of Companies Act, 2013 are not applicable



(xvi)	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	In our opinion and according to information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
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For KSMC & ASSOCIATES  
Chartered Accountants  
Firm Regn. No. 007565N



CA PRASHANT MANNA  
Partner  
Membership No.: 530041  
Place: New Delhi  
Date : 29.05.2017

# VIKAS MULTICORP LIMITED.

Formerly Known as Moonlite Technochem Private Limited

CIN - U25111DL1995PLC073719

G-1, 34/1, East Punjabi Bagh, New Delhi - 110026

Email: [vikasmulticorp@gmail.com](mailto:vikasmulticorp@gmail.com), Phone No: 011-65254777

Balance Sheet as at 31st March 2017

Particulars	Note	31.03.2017	31.03.2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	30,34,01,400	27,59,01,400
(b) Reserves and Surplus	3	23,05,18,198	19,61,63,345
(c) Money received against share warrants			-
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	4	12,27,476	2,73,105
(b) Deferred tax liabilities (Net)		-	-
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	5	17,32,46,817	9,27,08,121
(b) Trade payables	6	8,08,96,244	2,79,56,187
(c) Other current liabilities	7	20,89,356	9,00,09,318
(d) Short-term provisions	8	13,50,000	13,00,000
<b>Total</b>		<b>79,27,29,490</b>	<b>68,43,11,476</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible Assets	9	5,11,69,912	28,14,682
(ii) Intangible Assets	9	7,12,747	14,25,492
(b) Deferred tax assets (net)	10	7,20,964	10,05,186
(c) Long term loans and advances	11	2,20,307	2,20,307
(d) Other non-current assets	12	10,20,127	11,60,835
(e) Non current Investment	13	42,90,92,987	45,11,31,297
<b>(2) Current assets</b>			
(a) Inventories	14	3,02,90,180	1,66,54,743
(b) Trade receivables	15	25,27,78,655	14,88,98,880
(c) Cash and cash equivalents	16	1,44,32,213	1,69,88,324
(d) Short-term loans and advances	17	1,22,91,398	4,40,11,730
<b>Total</b>		<b>79,27,29,490</b>	<b>68,43,11,476</b>

## NOTES TO ACCOUNTS

The accompanying notes including other explanatory information form an integral part of the financial statements

As per our report of even date attached

# VIKAS MULTICORP LIMITED.

Formerly Known as Moonlite Technochem Private Limited

CIN - U25111DL1995PLC073719

G-1, 34/1, East Punjabi Bagh, New Delhi - 110026

Email: [vikasmulticorp@gmail.com](mailto:vikasmulticorp@gmail.com), Phone No:- 011-65254777

## Profit and Loss statement for the year end 31.03.2017

Particulars	Note	31.03.2017	31.03.2016
I. Revenue from operations	18	1,00,54,25,123	93,32,59,470
II. Other Income	19	2,30,85,870	1,63,47,999
<b>III. Total Revenue (I +II)</b>		<b>1,02,85,10,993</b>	<b>94,96,07,468</b>
<u>IV. Expenses:</u>			
Cost of materials consumed			
Purchases of Stock-in-Trade and Direct Expenses	20	1,00,43,97,740	90,52,74,327
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	(1,36,35,437)	37,10,756
Employee benefit expense	22	25,46,424	34,11,035
Financial costs	23	1,64,19,940	1,86,82,172
Depreciation and amortization expense	24	32,29,302	16,16,093
Other Expense	25	70,40,323	84,37,422
<b>Total Expenses</b>		<b>1,01,99,98,292</b>	<b>94,11,31,805</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	85,12,701	84,75,663
VI. Exceptional Items & Prior period Items		8,000	21,242
VII. Profit before extraordinary items and tax (V - VI)		85,04,701	84,54,421
VIII. Extraordinary Items			
IX. Profit before tax (VII - VIII)		85,04,701	84,54,421
X. Tax expense:			
(1) Current tax		13,50,000	13,00,000
(2) Deferred tax		2,84,222	(5,201)
(3) Short / Excess Provision for Income Tax of earlier years		15,626	1,19,123
XI. Profit(Loss) from the perid from continuing operations	(IX-X)	68,54,853	70,40,499
XII. Profit/(Loss) from discontinuing operations			-
XIII. Tax expense of discounting operations			-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)			-
XV. Profit/(Loss) for the period (XI + XIV)		68,54,853	70,40,499
XVI. Earning per equity share:			
(1) Basic		0.25	0.26
(2) Diluted		0.25	0.26

The accompanying notes including other explanatory information form an integral part of the financial statements

As per our report of even date attached

Note 1

**SIGNIFICANT ACCOUNTING POLICIES**  
(Annexed to and forming part of the accounts for the year ending 31st March 2017)

**1 Basic of preparation of Financial Statements**

The financial statements have been prepared under the historical cost convention, on accrual basis of accounting, in conformity with accounting principles generally accepted accounting principles in India. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under the Companies Act 2013.

**2 Use of Estimates**

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates & assumptions and such differences are recognized in the period in which the results are crystallized.

**3 Income and Expenditure**

Income and Expenditure are accounted for on accrual basis except in case where there is no reasonable certainty regarding the amount/or its collectibility.

**4 Revenue Recognition**

Revenue from sale of goods is recognized as and when title of goods passed on to the buyer and dispatch of goods from the factory/godown is completed.

**5 Fixed Assets**

Fixed assets are stated at cost net of Modvat/Cenvat wherever availed, less accumulated depreciation. Cost of fixed assets comprises purchase price, duties, levies and any directly attributable cost of bringing the assets to its working condition for the intended use.

Borrowing cost relating to the qualified assets for the period up to the date of acquisition or completion and adjustments arising from exchange rate variation relating to borrowing attributable to the fixed assets are capitalized. Other borrowing costs are charged to revenue.

**6 Depreciation**

Depreciation on fixed assets is provided in the manner prescribed under Schedule-II of The Companies Act, 2013.

**7 Inventories**

Inventories of finished goods are valued at cost price or net realisable value whichever is less in accordance with AS-2 as prescribed by ICAI. Cost of inventory includes all taxes and duties excluding duties, which are refundable.

**8 Sales**

Sales are recognized when all significant risks and rewards of ownership have been transferred to the buyer and are booked exclusive of sale tax.

**9 Purchases**

Purchases on account of import are inclusive of all the related expenses up to the receipt of material at godown.

**10 Foreign Currency Transactions**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction. The difference in monetary assets and liabilities relating to foreign currencies transactions remaining unsettled at the year end are translated at year end rates and are recognized in the profit & Loss account.

**11 Taxation**

Provision for taxation is made for both current and deferred taxes. Provision for current income tax is made on current tax rates based on assessable income. The company provides for deferred tax based on the tax effect of timing differences resulting from the recognition of items in the financial statement and in estimating its current tax provisions. The effect on deferred taxes of a change in tax rates is recognized in income in the period that includes the enactment date.

**12 Provision for Bonus**

No provision for bonus for the financial year 2016-2017 has been made in the accounts as the same is accounted on cash basis.

**13 Retirement and Leave Encashment Benefits**

No provision for gratuity has been made in view of the fact that the company does not have any employee who is eligible for gratuity during the financial year. Other retirement benefits like Provident Fund, ESIC etc are not applicable on the company during the year.

**14 Investments**

Current Investments are carried at the lower of cost and quoted / fair value. Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.

**15 Contingent Liabilities**

These are disclosed by way of notes on the Balance Sheet. Provision is made in the accounts in respect of those contingencies which are likely to recognized into liabilities after the year end, but before finalization of accounts and have material effect on the position stated in the Balance Sheet.



**VIKAS MULTICORP LIMITED**  
**CIN - U25111DL1995PLC073719**  
**Notes Forming Part of the Profit & Loss Accounts for 31.03.2017**

**Note: 18 Revenue from Operations**

Particulars	2016-17	2015-16
Inter state sale	3,38,71,993	5,85,55,279
Sale High-Seas	19,16,44,593	16,24,33,532
Sale Consignment	9,18,17,187	12,23,50,200
Sale Local	40,26,77,638	42,05,53,650
Sale Tax Free/ Exports	28,54,13,711	16,93,66,809
<b>Total</b>	<b>1,00,54,25,123</b>	<b>93,32,59,470</b>

**Note: 19 Other Income**

Particulars	2016-17	2015-16
<b>Other Operating Income</b>		
Foreign Exchange Fluctuation Income	5,96,861	13,95,155
Profit on Consignment Sale	28,68,774	33,30,803
Interest Received on FDR	8,87,034	8,36,749
Short & Excess	3,66,334	-
Dividend Income	20,55,307	21,93,245
Profit on sale of Shares	63,51,560	84,27,181
Commission Received	99,60,000	88,683
Interest on Income Tax Refund	-	76,183
<b>Total</b>	<b>2,30,85,870</b>	<b>1,63,47,999</b>

**Note: 20 Purchase of Stock-in-Trade and Direct Cost**

Particulars	2016-17	2015-16
Purchase Interstate	8,96,41,204	9,60,60,289
Purchase High Seas	3,00,41,880	86,10,000
Purchase Import	3,81,64,309	6,96,94,526
Purchase Local 4%	3,50,58,000	1,08,68,686
Purchase Local 5%	35,41,03,058	41,05,74,239
Purchase Tax Free	43,78,29,343	29,12,47,366
Anty Dumping, Dentention demrage & Inland Hauling Charges	38,39,267	48,78,909
Clearing & Forwarding Charges	3,16,500	1,92,540
Custom Duty Expenses	78,88,703	76,74,183
Freight & Cartage Inward including Loading and Unloading Charges	75,15,476	54,73,589
<b>Total</b>	<b>1,00,43,97,740</b>	<b>90,52,74,327</b>

Purchase are net of rebate and discount.

**Note: 21 Change in Inventories**

Particulars	2016-17	2015-16
Opening Stock	1,66,54,743	2,03,65,499
Closing Stock	3,02,90,180	1,66,54,743
<b>(A-B)</b>	<b>(1,36,35,437)</b>	<b>37,10,756</b>

**Note: 22 Employment Benefit Expenses**

Particulars	2016-17	2015-16
Salary	18,18,462	29,32,425
Staff Welfare Expenses	16,112	14,270
Director Remuneration	7,11,850	4,64,340
<b>Total</b>	<b>25,46,424</b>	<b>34,11,035</b>

**Note: 23 Financial Cost**

Particulars	2016-17	2015-16
LC Charges	17,91,993	23,03,179
Bank Charges	8,37,614	3,43,958
Commission & P&T Charges on LC Payment		2,91,144

Interest Paid on Other Loan	7,83,884	
Interest Paid on Car Loan	2,71,244	1,17,073
Interest Paid to Bank (on CC Limit)	1,21,59,803	1,41,69,661
Processing & Documentation Charges	5,75,402	14,57,156
<b>Total</b>	<b>1,64,19,940</b>	<b>1,86,82,172</b>
<b>Note: 24 Depreciation &amp; Amortised Expense</b>		
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>
Depreciation on Fixed Assets	25,16,557	9,03,348
Amortisation of Intangible Assets	7,12,745	7,12,745
<b>Total</b>	<b>32,29,302</b>	<b>16,16,093</b>
<b>Note: 25 Other Expenses</b>		
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>
Freight Outward	22,49,413	20,04,790
Rent Expense	3,84,000	2,50,064
Audit Fees	1,00,000	1,08,775
Advertisement & Business Promotion	14,400	47,175
Conveyance Exp	98,956	1,48,122
Credit rating A/C	36,000	39,900
Electricity Expenses	60,902	42,268
Examine Processing and doc fee	8,64,250	32,265
Fees & Filing	5,40,831	21,62,114
General Expenses	-	20,683
Insurance Charges	2,23,630	1,97,606
Interest on Service Tax, Sales Tax, TDS	73,292	20,933
Legal & Professional Charges	5,95,939	7,90,556
Repair & Maintanance - Office	33,354	14,225
Postage & Courier Exp.	5,600	6,199
Printing & Stationery	25,055	48,732
Service Tax Expense	17,015	2,15,701
Sale Tax Demand	1,01,727	-
Sample & Testing		2,888
Security Expenses	2,46,000	2,25,500
Telephone Expenses	39,347	52,785
Tour & Travelling Expense	56,175	15,256
Vehicle Running & Maintanance	1,57,452	1,76,057
Brokerage/Transaction Charges/Other Charges/ST	40,954	36,409
Merger Expenses W/off	1,40,708	1,40,708
Others	9,35,323	16,37,711
<b>TOTAL</b>	<b>70,40,323</b>	<b>84,37,422</b>
<b>Others</b>		
Loss on sale of Consignment		-
Demat Charges	21,122	20,154
Interest paid on Prior filed of BE	9,322	2,644
Donation		21,000
Membership Fees	6,250	
Website Expenses	4,500	-
Office Expenses	42,828	23,205
Income Tax Demand		1,05,257
Commission	6,27,701	1,81,273
Computer Repair & Maintinace	-	10,767
Diwali Expenses	1,47,500	1,65,134
Penalty on Statutory Dues	16,000	29,254
Discount Given		8,50,921
Miscellaneous Expense	60,100	2,28,102
	<b>9,35,323</b>	<b>16,37,711</b>

**VIKAS MULTICORP LIMITED**  
**CIN - U25111DL1995PLC073719**  
**Notes Forming Part of the Profit & Loss Accounts for 31.03.2017**

**Note: 18 Revenue from Operations**

Particulars	2016-17	2015-16
Inter state sale	3,38,71,993	5,85,55,279
Sale High-Seas	19,16,44,593	16,24,33,532
Sale Consignment	9,18,17,187	12,23,50,200
Sale Local	40,26,77,638	42,05,53,650
Sale Tax Free/ Exports	28,54,13,711	16,93,66,809
<b>Total</b>	<b>1,00,54,25,123</b>	<b>93,32,59,470</b>

**Note: 19 Other Income**

Particulars	2016-17	2015-16
<b>Other Operating Income</b>		
Foreign Exchange Fluctuation Income	5,96,861	13,95,155
Profit on Consignment Sale	28,68,774	33,30,803
Interest Received on FDR	8,87,034	8,36,749
Short & Excess	3,66,334	-
Dividend Income	20,55,307	21,93,245
Profit on sale of Shares	63,51,560	84,27,181
Commission Received	99,60,000	88,683
Interest on Income Tax Refund	-	76,183
<b>Total</b>	<b>2,30,85,870</b>	<b>1,63,47,999</b>

**Note: 20 Purchase of Stock-in-Trade and Direct Cost**

Particulars	2016-17	2015-16
Purchase Interstate	8,96,41,204	9,60,60,289
Purchase High Seas	3,00,41,880	86,10,000
Purchase Import	3,81,64,309	6,96,94,526
Purchase Local 4%	3,50,58,000	1,08,68,686
Purchase Local 5%	35,41,03,058	41,05,74,239
Purchase Tax Free	43,78,29,343	29,12,47,366
Anty Dumping, Dentention demrage & Inland Hauling Charges	38,39,267	48,78,909
Clearing & Forwarding Charges	3,16,500	1,92,540
Custom Duty Expenses	78,88,703	76,74,183
Freight & Cartage Inward including Loading and Unloading Charges	75,15,476	54,73,589
<b>Total</b>	<b>1,00,43,97,740</b>	<b>90,52,74,327</b>

Purchase are net of rebate and discount.

**Note: 21 Change in Inventories**

Particulars	2016-17	2015-16
Opening Stock	1,66,54,743	2,03,65,499
Closing Stock	3,02,90,180	1,66,54,743
<b>(A-B)</b>	<b>(1,36,35,437)</b>	<b>37,10,756</b>

**Note: 22 Employment Benefit Expenses**

Particulars	2016-17	2015-16
Salary	18,18,462	29,32,425
Staff Welfare Expenses	16,112	14,270
Director Remuneration	7,11,850	4,64,340
<b>Total</b>	<b>25,46,424</b>	<b>34,11,035</b>

**Note: 23 Financial Cost**

Particulars	2016-17	2015-16
LC Charges	17,91,993	23,03,179
Bank Charges	8,37,614	3,43,958
Commission & P&T Charges on LC Payment		2,91,144

Interest Paid on Other Loan	7,83,884	
Interest Paid on Car Loan	2,71,244	1,17,073
Interest Paid to Bank (on CC Limit)	1,21,59,803	1,41,69,661
Processing & Documentation Charges	5,75,402	14,57,156
<b>Total</b>	<b>1,64,19,940</b>	<b>1,86,82,172</b>
<b>Note: 24 Depreciation &amp; Amortised Expense</b>		
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>
Depreciation on Fixed Assets	25,16,557	9,03,348
Amortisation of Intangible Assets	7,12,745	7,12,745
<b>Total</b>	<b>32,29,302</b>	<b>16,16,093</b>
<b>Note: 25 Other Expenses</b>		
<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>
Freight Outward	22,49,413	20,04,790
Rent Expense	3,84,000	2,50,064
Audit Fees	1,00,000	1,08,775
Advertisement & Business Promotion	14,400	47,175
Conveyance Exp	98,956	1,48,122
Credit rating A/C	36,000	39,900
Electricity Expenses	60,902	42,268
Examine Processing and doc fee	8,64,250	32,265
Fees & Filing	5,40,831	21,62,114
General Expenses	-	20,683
Insurance Charges	2,23,630	1,97,606
Interest on Service Tax, Sales Tax, TDS	73,292	20,933
Legal & Professional Charges	5,95,939	7,90,556
Repair & Maintanance - Office	33,354	14,225
Postage & Courier Exp.	5,600	6,199
Printing & Stationery	25,055	48,732
Service Tax Expense	17,015	2,15,701
Sale Tax Demand	1,01,727	-
Sample & Testing		2,888
Security Expenses	2,46,000	2,25,500
Telephone Expenses	39,347	52,785
Tour & Travelling Expense	56,175	15,256
Vehicle Running & Maintanance	1,57,452	1,76,057
Brokerage/Transaction Charges/Other Charges/ST	40,954	36,409
Merger Expenses W/off	1,40,708	1,40,708
Others	9,35,323	16,37,711
<b>TOTAL</b>	<b>70,40,323</b>	<b>84,37,422</b>
<b>Others</b>		
Loss on sale of Consignment		-
Demat Charges	21,122	20,154
Interest paid on Prior filed of BE	9,322	2,644
Donation		21,000
Membership Fees	6,250	
Website Expenses	4,500	-
Office Expenses	42,828	23,205
Income Tax Demand		1,05,257
Commission	6,27,701	1,81,273
Computer Repair & Maintinace	-	10,767
Diwali Expenses	1,47,500	1,65,134
Penalty on Statutory Dues	16,000	29,254
Discount Given		8,50,921
Miscellaneous Expense	60,100	2,28,102
	<b>9,35,323</b>	<b>16,37,711</b>

# VIKAS MULTICORP LIMITED.

Formerly Known as Moonlite Technochem Private Limited

CIN - U74899DL1995PTC073719

G-1, 34/1, East Punjabi Bagh, New Delhi - 110026

Email: [moonlitetechnochempvtltd@gmail.com](mailto:moonlitetechnochempvtltd@gmail.com), Phone No-: [011-6516876](tel:011-6516876)

Supplementary Accounting Statement as at 25th Oct 2017

Particulars	Note	25.10.2017	31.03.2017
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	42,47,61,960	30,34,01,400
(b) Reserves and Surplus	3	11,63,60,045	3,43,54,853
(c) Money received against share warrants			
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	4	51,18,645	12,27,476
(b) Deferred tax liabilities (Net)			-
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	5	18,51,49,656	17,32,46,817
(b) Trade payables	6	2,90,22,968	8,08,96,244
(c) Other current liabilities	7	9,48,97,104	20,89,356
(d) Short-term provisions	8	16,25,698	13,50,000
<b>Total</b>		<b>85,69,36,075</b>	<b>59,65,66,145</b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible Assets	9	5,48,55,802	5,11,69,912
(ii) Intangible Assets	9	3,56,374	7,12,747
(b) Deferred tax assets (net)	10	7,20,965	7,20,964
(c) Long term loans and advances	11	2,20,307	2,20,307
(d) Other non-current assets	12	10,90,481	10,20,127
(e) Non current Investment	13	42,90,92,987	42,90,92,987
<b>(2) Current assets</b>			
(a) Inventories	14	7,89,46,977	3,02,90,180
(b) Trade receivables	15	17,54,17,150	25,27,78,655
(c) Cash and cash equivalents	16	1,15,87,170	1,44,32,213
(d) Short-term loans and advances	17	10,46,47,863	1,22,91,398
<b>Total</b>		<b>85,69,36,075</b>	<b>79,27,29,490</b>

## NOTES TO ACCOUNTS

The accompanying notes including other explanatory information form an integral part of the financial statements

As per our report of even date attached

# VIKAS MULTICORP LIMITED.

Formerly Known as Moonlite Technochem Private Limited

CIN - U74899DL1995PTC073719

G-1, 34/1, East Punjabi Bagh, New Delhi - 110026

Email: [moonlitetechnochempvtltd@gmail.com](mailto:moonlitetechnochempvtltd@gmail.com), Phone No-: 011-6516876

## Supplementary Accounting Statement Profit and Loss statement for the period ended 25.10.2017

Particulars	Note	25.10.2017	31.03.2017
I. Revenue from operations	18	26,98,77,155	1,00,54,25,123
II. Other Income	19	3,02,17,790	2,30,85,870
<b>III. Total Revenue (I +II)</b>		<b>30,00,94,946</b>	<b>1,02,85,10,993</b>
<i>IV. Expenses:</i>			
Cost of materials consumed			
Purchases of Stock-in-Trade and Direct Expenses	20	31,85,51,139	1,00,43,97,740
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	(4,86,56,796)	(1,36,35,437)
Employee benefit expense	22	23,22,218	25,46,424
Financial costs	23	95,89,799	1,64,19,940
Depreciation and amortization expense	24	11,68,073	32,29,302
Other Expense	25	82,44,108	70,40,323
<b>Total Expenses</b>		<b>29,12,18,541</b>	<b>1,01,99,98,292</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	88,76,404	85,12,701
VI. Exceptional Items & Prior period Items		88,850	8,000
VII. Profit before extraordinary items and tax (V - VI)		87,87,554	85,04,701
VIII. Extraordinary Items			
IX. Profit before tax (VII - VIII)		87,87,554	85,04,701
X. Tax expense:			
(1) Current tax		16,25,698	13,50,000
(2) Deferred tax		-	2,84,222
(3) Short / Excess Provision for Income Tax of earlier years		(40,552)	15,626
XI. Profit(Loss) from the perid from continuing operations	(IX-X)	72,02,409	68,54,853
XII. Profit/(Loss) from discontinuing operations			
XIII. Tax expense of discounting operations			
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)			
XV. Profit/(Loss) for the period (XI + XIV)		72,02,409	68,54,853
XVI. Earning per equity share:			
(1) Basic		0.24	0.25
(2) Diluted		0.24	0.25

The accompanying notes including other explanatory information form an integral part of the financial statements

As per our report of even date attached



**VIKAS MULTICORP LIMITED**  
CIN - U74899DL1995PTC073719

Supplementary Accounting Statement Notes Forming Part of the Profit & Loss Accounts for 25.10.2017

**Note: 18 Revenue from Operations**

Particulars	25th Oct 2017	2016-17
Inter state sale	1,55,47,531.98	3,38,71,993
Sale High-Seas	6,08,18,465.41	19,16,44,593
Sale Consignment	42,00,000.00	9,18,17,187
Sale Local	16,37,12,157.75	40,26,77,638
Sale Tax Free/ Exports	2,55,99,000.00	28,54,13,711
<b>Total</b>	<b>26,98,77,155.14</b>	<b>1,00,54,25,123</b>

**Note: 19 Other Income**

Particulars	25th Oct 2017	2016-17
<b>Other Operating Income</b>		
Foreign Exchange Fluctuation Income	-	5,96,861
Profit on Consignment Sale	-	28,68,774
Interest Received on FDR	59,56,867.45	8,87,034
Short & Excess	31.96	3,66,334
Dividend Income	20,55,307.00	20,55,307
Profit on sale of Shares	-	63,51,560
Commision Received	2,22,05,584.00	99,60,000
Interest on Income Tax Refund	-	-
<b>Total</b>	<b>3,02,17,790.41</b>	<b>2,30,85,870</b>

**Note: 20 Purchase of Stock-in-Trade and Direct Cost**

Particulars	25.10.2017	2016-17
Purchase Interstate	2,07,95,675.00	8,96,41,204
Purchase High Seas	5,96,25,946.49	3,00,41,880
Purchase Import	1,06,33,562.50	3,81,64,309
Purchase Local 4%	28,79,079.00	3,50,58,000
Purchase Local 5%	19,29,22,578.00	35,41,03,058
Purchase Tax Free	2,55,99,000.00	43,78,29,343
Anty Dumping, Dentention demrage & Inland Hauling Charges	11,89,432.00	38,39,267
Clearing & Forwarding Charges	6,64,486.00	3,16,500
Custom Duty Expenses	17,51,987.10	78,88,703
Freight & Cartage Inward including Loading and Unloading Charges	24,89,393.00	75,15,476
<b>Total</b>	<b>31,85,51,139.09</b>	<b>1,00,43,97,740</b>

Purchase are net of rebate and discount.

**Note: 21 Change in Inventories**

Particulars	25.10.2017	2016-17
Opening Stock	3,02,90,180.15	1,66,54,743
Closing Stock	7,89,46,976.58	3,02,90,180
<b>(A-B)</b>	<b>(4,86,56,796.43)</b>	<b>(1,36,35,437)</b>

**Note: 22 Employment Benefit Expenses**

Particulars	25.10.2017	2016-17
-------------	------------	---------

Salary	23,19,579.00	18,18,462
Staff Welfare Expenses	2,639.00	16,112
Director Remuneration	-	7,11,850
<b>Total</b>	<b>23,22,218.00</b>	<b>25,46,424</b>

**Note: 23 Financial Cost**

Particulars	25.10.2017	2016-17
LC Charges	5,06,522.64	17,91,993
Bank Charges	27,53,783.73	8,37,614
Commision & P&T Charges on LC Payment	-	
Interest Paid on Other Loan	57,02,896.70	7,83,884
Interest Paid on Car Loan	-	2,71,244
Interest Paid to Bank (on CC Limit)	-	1,21,59,803
Processing & Documentation Charges	6,26,596.05	5,75,402
<b>Total</b>	<b>95,89,799.12</b>	<b>1,64,19,940</b>

**Note: 24 Depreciation & Amortised Expense**

Particulars	25.10.2017	2016-17
Depreciation on Fixed Assets	8,11,700.00	25,16,557
Amortisation of Intangible Assets	3,56,373.00	7,12,745
<b>Total</b>	<b>11,68,073.00</b>	<b>32,29,302</b>

**Note: 25 Other Expenses**

Particulars	25.10.2017	2016-17
Freight Outward	-	22,49,413
Rent Expense	4,98,000.00	3,84,000
Audit Fees	-	1,00,000
Advertisement & Business Promotion	-	14,400
Conveyance Exp	56,037.00	98,956
Credit rating A/C	-	36,000
Electricity Expenses	2,05,340.00	60,902
Examine Processing and doc fee	-	8,64,250
Fees & Filing	11,01,005.00	5,40,831
General Expenses	13,350.00	-
Insurance Charges	2,35,348.00	2,23,630
Interest on Service Tax, Sales Tax, TDS	1,22,295.00	73,292
Legal & Professional Charges	5,05,850.00	5,95,939
Repair & Maintanance - Office	10,500.00	33,354
Postage & Courier Exp.	-	5,600
Printing & Stationery	11,500.00	25,055
Service Tax Expense	44,127.50	17,015
Sale Tax Demand	-	1,01,727
Sample & Testing	-	
Security Expenses	1,23,000.00	2,46,000
Telephone Expenses	14,500.00	39,347
Tour & Travelling Expense	58,720.00	56,175
Vehicle Running & Maintanance	22,015.64	1,57,452
Brokerage/Transaction Charges/Other Charges/ST	-	40,954
Merger Expenses W/off	3,70,354.00	1,40,708
Others	-	9,35,323
<b>TOTAL</b>	<b>33,91,942</b>	<b>70,40,323</b>

**Others**

Loss on sale of Consignment	-	
Demat Charges	-	21,122
Interest paid on Prior filed of BE	3,480.00	9,322
	-	
Donation	50,00,000.00	
Membership Fees	27,242.00	6,250
Website Expenses	4,025.00	4,500
Office Expenses	19,461.00	42,828
Income Tax Demand	-	
Commission	-	6,27,701
Computer Repair & Maintinace	-	-
Diwali Expenses	46,200.00	1,47,500
Penalty on Statutory Dues	-	16,000
Discount Given	-	
Miscellaneous Expense	-	60,100
	2,48,241.77	
	<b>48,52,166</b>	<b>9,35,323</b>

**VIKAS MULTICORP LIMITED**

CIN - U74899DL1995PTC073719

Notes Forming Part of Balance Sheet as on 25.10.2017

**Note 2: Share Capital**

Particulars	25.10.2017	2016-17
		Number
<b>AUTHORIZED CAPITAL</b>		
Equity Share of Rs. 1/- each.	43,00,00,000	3,10,00,000
	43,00,00,000	3,10,00,000
<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>		
Equity Shares of Rs. 1/- each, Fully Paid up.	42,47,61,960	3,03,40,140
Share Capital pending allotment		
<b>Total</b>	42,47,61,960	3,03,40,140

**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	2016-17
	Number
Shares outstanding at the beginning of the year	2,75,90,140
Share Capital pending allotment	
Add:- Shares Issued during the Year	27,50,000
Shares bought back during the year.	
Shares outstanding at the end of the year	3,03,40,140

**Shares in the company held by each shareholder holding more than 5 percent shares**

Name of Shareholder	2016-17
	No. of Shares held
Vikas Garg	1,22,04,542
Seema Garg	49,65,000
Vaibhav Garg	15,43,044
Vinod Kumar Garg	48,52,980
	-

**Notes:**

The company has only one class of equity share having par value of Rs. 1/- per share, the holder of the equity shares are entitled to receive the dividend as declared time to time, and are entitled to voting rights proportionate to their share

**Note : 3 Reserve & Surplus**

Particulars	25th Oct 2017	2016-17
<b>a. Capital Reserves</b>		
Opening Balance CR	28,45,563.00	-
(+) Current Year Transfer		
(-) Written Back in Current Year		
Closing Balance	28,45,563.00	-
<b>b. Securities Premium Account</b>		
Opening Balance SP	19,85,87,000.00	-
Add : Securities premium credited on Share	-	2,75,00,000
Less : Premium Utilised for various reasons	-	-
Premium on Redemption of Debentures	-	-
For Issuing Bonus Shares		
Closing Balance	19,85,87,000.00	2,75,00,000

<b>b. Surplus (Profit &amp; Loss Account)</b>		
Opening As Per Last Balance Sheet	2,90,85,633.54	-
Add: As per P &L Account	72,02,408.84	68,54,853
Closing Balance	3,62,88,042	68,54,853
<b>Total</b>	<b>23,77,20,605.38</b>	<b>3,43,54,853</b>

**Note : 4 Long Term Borrowings**

Particulars	25th Oct 2017	2016-17
<b>(a) Secured Loans - From Banks</b>		
-Kotak Mahindra Bank- (ETIOS Car)	1,20,030.00	41,178
-HDFC Bank-(Santafee Car)	15,78,565.55	11,86,298
-Mini Financial Services (Mini Cooper)	34,20,049.58	-
	51,18,645	12,27,476
<b>Total</b>	<b>51,18,645</b>	<b>12,27,476</b>

**Note : 5 Short Term Borrowings**

Particulars	25th Oct 2017	2016-17
<b>Secured Loan</b>		
<b>Loan Repayable on Demand</b>		
<b>- From Bank</b>		
Union Bank of India CC-504130147	8,55,77,323.23	11,23,60,377
UBI A/c No. 46790722000033 PEFC	2,92,05,255.43	2,90,53,463
HDFC Bank-(Santafee Car)	-	9,15,553
HDFC Bank-(Renault Duster Car)	-	-
Kotak Mahindra Bank- (ETIOS Car)	-	2,31,927
Globe Fincap Limited	7,03,67,077.00	3,06,85,496
<b>Total</b>	<b>18,51,49,655.66</b>	<b>17,32,46,817</b>

HDFC Bank loan(Duster- 26670813 )is secured by way of hypothecation of car .The Loan is repayable in 36 equal monthly installments of Rs 29,572 each. The loan has been completely paid in the month of January 2017.

Kotak Mahindra prime Limited Loan (ETIOS) is secured by way of hypothecation of Car. The loan is repayable in 35 equal monthly insallments of Rs 20872/ each.The period of maturity from Balance Sheet date is Fourteen Months.

HDFC Bank Loan (Santafee) is secured by way of hypothecation of Car. The loan is repayable in 36 equal monthly insallments of Rs 89968/ each.The period of maturity from Balance Sheet date is Twenty Six Months.

(Globe fincap Limited Loan is revolving loan facility and secured by pledge of approx 73% of shares of Vikas multicorp Limited @ 18% per annum,which is repayable on demand of globe fincap Limited, further loan is secured by personal gurantee of Mr. Vikas Garg and Ms. Seema Garg )

Union Bank of India balance of Rs 14,14,13,840.85 is against CC and PCFC limit and secured by way of stock and receivables and collateral security and Personal Guarantee of Mr. Vikas Garg, Mr. Vishesh Gupta,Ms. Seema Garg,Sh. Vivek Garg,Sh. Jai Hind Kumar Gupt and Sh. Deepak Bansal

**Note : 6 Trade Payables**

Particulars	25th Oct 2017	2016-17
Sundry Creditors**	2,90,22,967.61	8,08,96,244

(Subject to confirmation and reconciliation)		
<b>Total</b>	<b>2,90,22,967.61</b>	<b>8,08,96,244</b>

\*\*The figures reported are net off the Debit Balances of Trade Payables, if any.

**Note : 7 Other Current Liabilities**

Particulars	25th Oct 2017	2016-17
Advance From Customers	8,44,95,466.69	
Expenses Payable	1,04,01,637.44	20,89,356
<b>Total</b>	<b>9,48,97,104</b>	<b>20,89,356</b>

**Note : 8 Short Term Provisions**

Particulars	25th Oct 2017	2016-17
Provision for Tax	16,25,698	13,50,000
<b>Total</b>	<b>16,25,698</b>	<b>13,50,000</b>



**Note : 11 Long Term Loans and Advances**

Particulars	25th Oct 2017	2016-17
Security Deposit	2,20,307.00	2,20,307
<b>Total</b>	<b>2,20,307</b>	<b>2,20,307</b>

**Note : 12 Other Non - Current Assets**

Particulars	25th Oct 2017	2016-17
Refund order Received but not credited*	7,56,894.37	7,56,894
MAT Credit Available	1,02,525.00	1,02,525
Merger Expenses to be w/off in more than 12 months	2,31,062.00	1,60,708
<b>Total</b>	<b>10,90,481</b>	<b>10,20,127</b>

\*The balance is subject to confirmation and reconciliation.

**Note : 13 Non-Current Investment**

Particulars	25th Oct 2017	2016-17
Vikas Ecotech Ltd- (Listed Shares)* (Previously Known as Vikas Globalone Ltd)	42,90,92,986.58	42,90,92,987
<b>Total</b>	<b>42,90,92,987</b>	<b>42,90,92,987</b>

\*Quoted fully paid up equity shares of Vikas Ecotech Ltd of 41166140 shares with face value of Re.1 each.  
Market Value as on 31.03.2017 is Rs. 20.95 per share/- (P.Y Rs 15.50/- per share)

**Note : 14 Inventories**

Particulars	25th Oct 2017	2016-17
Finished Goods	-	3,02,90,180
<b>Total</b>	<b>-</b>	<b>3,02,90,180</b>

**Method of Valuation:**

Closing stock has been valued as per provisions of Accounting Standard 2 issued by The Institute of Chartered Accountants of India. The value of the stock has been verified by the management and relied upon by the auditors.

**Note : 15 Trade Recievables**

Particulars	25th Oct 2017	2016-17
<b>Outstanding for more than six months*</b>		
Unsecured, Considered Good**	17,54,17,150.13	1,02,87,914
Less: Provision for doubtful debts		
Sub Total	17,54,17,150	1,02,87,914
<b>Outstanding for less than six months*</b>		
Unsecured, Considered Good**		24,24,90,741
Less: Provision for doubtful debts		
Sub Total	-	24,24,90,741
*(Subject to confirmation and reconciliation)		
	17,54,17,150	25,27,78,655

\*\*The figures reported are net off Credit Balance of Trade Recievables, if any.

**Note : 16 Cash & Cash Equivalent**

Particulars	25th Oct 2017	2016-17
<b>Cash-in-Hand</b>		
Cash Balance	13,10,121.00	13,28,586
	13,10,121	13,28,586
<b>Bank Balance</b>		
UBI CA A/C No. 4063010100370000	3,429.11	4,452
Oriental Bank of Commerce A/c no. - 11161131002236	-	-
Oriental Bank of Commerce A/c no. - 0846111002080	-	-
Oriental Bank of Commerce 11161131002625	-	78,347
Bank of Baroda A/c No.21000200000930	26,661.00	51,893
UBI A/C No 406301070050003	180.37	3,899
	30,270	1,38,591
<b>FDR With Bank</b>		
FDR Against LC/BG Margin*	1,02,46,779.00	1,27,96,366
Accrued Interest on FDR*	-	1,68,670
* Subject to confirmation and reconciliation		
<b>Total</b>	<b>1,15,87,170</b>	<b>1,44,32,213</b>

**Cash and Cash equivalents**

Cash and cash equivalents comprise of cash at bank and cash in hand. The company also considers all highly liquid investments to be cash equivalents.

Particulars
Opening Cash in Hand as on 08.11.2016
(+)Permitted Receipts (Cash Withdrawal)
(-)Permitted Payments
(-)Amount deposited in Banks
Closing cash in hand as on 30.12.2016

\* SBN - Notes of Rs. 1000 and 500 held by the company on 8th November 2016

**Note :17 Short Terms Loans and Advances**

Particulars	25th Oct 2017	2016-17
Advance to Suppliers	8,35,54,065.60	
Staff Advances	4,60,000.00	3,96,000
Security Container	-	1,60,000
Advance Recoverable in Cash and Kind	-	1,09,239
Recoverable from Government Department	34,20,665.33	34,52,502
Other Current Assets*	1,72,13,132.20	80,32,949
Cheques in Hand***	-	
Merger Expenses to be w/off in 12 months	-	1,40,708
	<b>10,46,47,863</b>	<b>1,22,91,398</b>

\*\*\* The copies of cheques in hand were not available as on even date, hence the same is subject to confirmation.

\*This balance includes amount of Rs 72,73,922.55 on account of insurance claim recievable which is under contest before the court and the balance of same is subject to confirmation and reconciliation

### Information about Vikas Multicorp Limited

These information are in terms of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 for the scheme of arrangement for Demerger of Vikas Ecotech Limited (hereinafter referred to as 'VEL') and Vikas Multicorp Limited (hereinafter referred to as 'VML') and their respective shareholders and creditors.

Name of the Company	:	Vikas Multicorp Limited
CIN	:	U25111DL1995PLC073719
Registered Office	:	G-1 34/1, East Punjabi Bagh, New Delhi – 110026
Tel. No.	:	+91-11-65254777
Fax. No.	:	Not Available
Website	:	Not Available
Email ID	:	moonlitetechnochempvtltd@gmail.com
Contact Person	:	Preeti Rai, Company Secretary

#### 1. Background about the Company and its Business Overview:

VML was incorporated on November 09, 1995 as Akshatha Management Consultants Private Limited under the provisions of Companies Act, 1956, as a private limited company under the Registrar of Companies NCT of Delhi and Haryana, then on May 29, 2001, the name was changed to Akshatha Services Private Limited, then on December 29, 2008, it was further changed to Moonlite Technochem Private Limited, then on November 01, 2016 changed to Moonlite Technochem Limited and later on January 24, 2017 it was changed to Vikas MultiCorp Limited. The registered office of the Company is situated at G-1 34/1, East Punjabi Bagh, New Delhi – 110026. VML is a Polymers and Polymer additive related Chemicals Trading House, based at Delhi. The head office of Company is situated in Delhi and the Company have branches at Haryana and Kolkata (West Bengal) and good standing in PVC, PP, PE and EVA market.

#### 2. Details about the Promoters of the Company:

S. No.	Name of the Promoters	Nature (Individual/Company/etc.)
i.	Vikas Garg HUF	HUF
ii.	Sukriti Garg	Individual
iii.	Vikas Garg	Individual
iv.	Seema Garg	Individual

#### If the Promoter is Individual: Applicable

Name of the promoter	PAN	Educational Qualification	Experience in business or employment	List of Companies promoted	List of Companies in which person is Director	No. of shares or any interest held in the Company
Vikas Garg HUF	AADHV2736H	Not Applicable	Not Applicable	Vikas EcoTech Limited	Not Applicable	81,27,000 Equity Shares
Sukriti Garg	ALWTG6413A	Graduate	Nil	– Vikas EcoTech Limited – Pride Buildtech Private Limited	Nil	81,27,000 Equity Shares

Vikas Garg	AAAPG8241P	Commerce Graduate	More than 20 years in chemical industry	– VikasEcoTech Limited, – Pride Buildtech Private Limited	– VikasEcoTech Limited, – Pride Buildtech Private Limited, – MM Auto Industries Limited	17,08,63,588 Equity Shares
Seema Garg	AAJPG3268R	Commerce Graduate	More than 15 years of experience in administration	– Vikas EcoTech Limited, – Vikas MultiCorp Limited, – Pride Buildtech Private Limited	– Pride Buildtech Private Limited	6,95,10,000 Equity Shares

**If the promoter is corporate entity:** Not Applicable

### 3. Details of Board of the Company:

#### Present Directors:

Name of Director	<b><u>Vikas Garg</u></b>
DIN	00255413
PAN	AAAPG8241P
Age	44 years
Address	10/4, East Punjabi Bagh, New Delhi – 110026
Qualification	Graduate in Commerce
Experience	More than 20 years in Chemical Industry
Date of Appointment	June 07, 2013
Designation	Director
Date of Expiration of Current term	NA
Number of Shares held in the Company	170,863,588 Equity Shares
Other Directorships	– Mm Auto Industries Limited – Vikas Ecotech Limited – Pride Buildtech Private Limited
Name of Director	<b><u>Hari Bhagwan Sharma</u></b>
DIN	02542653
PAN	CEUPS6501N
Age	54 years
Address	586A, Sri Nagar, Delhi
Qualification	Graduate in Commerce
Experience	15 years in the field of Administration
Date of Appointment	September 01, 2015
Designation	Whole-time Director
Date of Expiration of Current term	NA
Number of Shares held in the Company	Nil
Other Directorships	Stepping Stone Constructions Private Limited

Name of Director	<b><u>Pankaj Kumar Gupta</u></b>
DIN	07003962
PAN	AMAPG1198F
Age	29 years
Address	D-40, D-Block, Raja Puri, New Delhi
Qualification	Chartered Accountant (CA)
Experience	5 years' experience as CA
Date of Appointment	November 15, 2016
Designation	Director
Date of expiration of Current term	NA
Number of Shares held in the Company	Nil
Other Directorships	Nil
Name of Director	<b><u>Purushottam Dass Bhoot</u></b>
DIN	00094087
PAN	ADAPB7504R
Age	88
Address	Shalimar Apartment, Shalimar Bagh, New Delhi
Qualification	Company Secretary (CS)
Experience	35 years as a CS
Date of Appointment	April 26, 2017
Designation	Director
Date of expiration of Current term	NA
Number of Shares held in the Company	Nil
Other Directorships	<ul style="list-style-type: none"> <li>- Bhatkawa Tea Industries Limited</li> <li>- Vikas Ecotech Limited</li> </ul>
Name of Director	<b><u>Anubhuti Mishra</u></b>
DIN	07769092
PAN	BGCPM8289C
Age	25 years
Address	Ward Number-15, Ishanagar Road, Company Baag, Nowgong, Chhatarpur, Delhi
Qualification	Post Graduate in Management
Experience	3 years in the field of (Administration)
Date of Appointment	March 20, 2017
Designation	Director
Date of expiration of Current term	NA
Number of Shares held in the Company	Nil
Other Directorships	NA
Name of Director	<b><u>Kapil Gupta</u></b>
DIN	07804293
PAN	AAJPG7129H
Age	49 years
Address	E-131, Raheja Atlantis, Sector-31, Gurgaon
Qualification	MBA in retail management
Experience	23 years in the field of Entertainment Industry and Water Solutions
Date of Appointment	April 26, 2017
Designation	Director



Date of expiration of Current term	NA
Number of Shares held in the Company	Nil
Other Directorships	Nil

**Past Directors (of last three years):**

Name	Address	DIN	Date of Appointment	Date of Cessation	Reason for Cessation
Vishesh Gupta	F-14/9, Model Town, Part-I, New Delhi – 110009	00255689	April 01, 2009	November 30, 2016	Personal
Deepak Bansal	25/29, Tilak Nagar, New Delhi – 110018	00159385	April 08, 2015	April 18, 2016	Personal
Narender Kumar Garg	Ab-55, MianWali, H.B. Society, Paschim Vihar, Delhi – 110087	00407494	February 14, 2013	April 29, 2015	Personal
Parmod Gupta	B-5/149, Paschim Vihar, New Delhi – 110063	01952286	July 26, 2004	April 06, 2015	Personal
Vishal Garg	C-16, Bhagwan Dass Nagar, East Punjabi Bagh, New Delhi	00255599	December 29, 2006	July 30, 2013	Personal

**4. Shareholding Structure of the Company(as on December 31, 2017):**

S. No.	Name	No. of Shares	% age
1	Sahyog Multibase Ltd	4,04,18,280	9.52
2	Vikas Garg HUF	81,27,000	1.91
3	Sukriti Garg	81,27,000	1.91
4	Vikas Garg	17,08,63,588	40.23
5	Seema Garg	6,95,10,000	16.36
6	Vaibhav Garg	2,16,02,616	5.09
7	Shashi Garg	51,80,000	1.22
8	Vinod Kumar Garg	6,79,41,720	16.00
9	Vinod Kumar Garg HUF	51,80,000	1.22
10	Ashok Kumar Singhla	58,94,000	1.39
11	Khushboo Singhla	58,80,000	1.38
12	Manish Singhla	58,87,756	1.39
13	Yogesh Kumar Madaan	35,00,000	0.82
14	Deepak Garg	18,88,000	0.44
15	Neha Garg	20,98,000	0.49
16	Sumitra Garg	18,88,000	0.44
17	Rajendra Prasad Garg	7,76,000	0.18

**5. Changes in the shareholding structure of Promoter(s) and Board of the Company:**

The details of change in shareholding structure of Promoter(s) of the company since incorporation are mentioned below:

S.	Name of the Promoter	No. of	Shares	Cumulative	Cumulative
----	----------------------	--------	--------	------------	------------

No.		Shares	(%)	No. of Shares	Shares (%)
1.	<b>Mr. YegnanarayananLakshmivarahan</b>				
	Shares allotted on 13.11.1995	10	0.00	10	0.00
	Shares transferred on 01.08.2001	(10)	(0.00)	0	0.00
	As on the date	0	0.00	0	0.00
2.	<b>Mrs. Narayanan Annapoorni</b>				
	Shares allotted on 13.11.1995	10	0.00	10	0.00
	Shares trasferred on 01.08.2001	(10)	(0.00)	0	0.00
	As on the date	0	0.00	0	0.00
3.	<b>Mr. Vikas Garg</b>				
	Shares Acquired on 01.08.2001	20	0.00	20	0.00
	Shares trasferred on 01.04.2009	(20)	(0.00)	0	0.00
	Shares Acquired on 17.11.2010	10	0.00	10	0.00
	Bonus Shares allotted on 17.10.2011	60	0.00	70	0.00
	Shares Acquired on 10.08.2014	94,472	0.02	94,542	0.02
	Shares allotted pursuant to merger on 09.04.2016	10,360,000	2.44	10,454,542	2.46
	Shares allotted on 20.01.2017 under right issue	1,750,000	0.41	12,204,542	2.87
	Share split	122,045,420	28.73	122,045,420	28.73
	Shares allotted on 19.05.2017 under Bonus issue	48,818,168	11.49	170,863,588	40.23
	As on the date	170,863,588	40.23	170,863,588	40.23
4.	<b>M/s.VikasEcoTech Limited</b>				
	Shares Acquired on 13.09.2010	307,020	0.07	307,020	0.07
	Shares transferred on 17.11.2010	(10)	(0.00)	307,010	0.07
	Bonus Shares allotted on 17.10.2011	1,842,060	0.43	2,149,070	0.51
	Shares allotted on 31.03.2014	1,000,000	0.24	3,149,070	0.74
	Shares transferred on 10.08.2014	(3,149,070)	(0.74)	0	0.00
	As on the date	0	0.00	0	0.00
5.	<b>Vikas Garg HUF</b>				
	Shares allotted pursuant to merger on 09.04.2016	580,500	0.14	580,500	0.14
	Share split	5,805,000	1.37	5,805,000	1.37
	Shares allotted on 19.05.2017 under Bonus issue	2,322,000	0.55	8,127,000	1.91
	As on the date	8,127,000	1.91	8,127,000	1.91
6.	<b>Sukriti Welfare Trust</b>				
	Shares allotted pursuant to merger on 09.04.2016	580,500	0.14	580,500	0.14
	Shares Transferred to Sukriti Garg	(580,500)	(0.14)	0	0.00
	As on the date	0	0.00	0	0.00
7.	<b>Sukriti Garg</b>				
	Shares acquired from Sukriti Welfare Trust	580,500	0.14	580,500	0.14
	Split	5,805,000	1.37	5,805,000	1.37
	Shares allotted on 19.05.2017 under Bonus issue	2,322,000	0.55	8,127,000	1.91
	As on date	8,127,000	1.91	8,127,000	1.91

8	<b>Seema Garg</b>				
	Shares allotted pursuant to merger on 09.04.2016	4,440,000	1.05	4,440,000	1.05
	Shares allotted on 20.01.2017 under right issue	525,000	0.12	4,965,000	1.17
	Share split	49,650,000	11.69	49,650,000	11.69
	Shares allotted on 19.05.2017 under bonus issue	19,860,000	4.68	69,510,000	16.36
	As on the date	69,510,000	16.36	69,510,000	16.36

The details of change in shareholding structure of Director(s) of the Company are mentioned below:

S. No.	Name of the Director	No. of Shares	Shares (%)	Cumulative No. of Shares	Cumulative Shares (%)
1.	<b>Mr. Yegnanarayanan Lakshmivaran, Resigned on 01.08.2000</b>				
	Shares allotted on 13.11.1995	10	0.00	10	0.00
	Shares transferred on 01.08.2001	(10)	0.00	0	0.00
	As on the date	0	0.00	0	0.00
2.	<b>Mrs. Narayanan Annapoorni, Resigned on 21.12.2000</b>				
	Shares allotted on 13.11.1995	10	0.00	10	0.00
	Shares transferred on 01.08.2001	(10)	0.00	0	0.00
	As on the date	0	0.00	0	0.00
3	<b>Mr. Amit Gupta, Resigned on 01.04.2009</b>				
	Shares allotted on 30.09.2004	20,000	0.00	20,000	0.00
	Shares allotted on 01.07.2005	11,500	0.00	31,500	0.01
	Shares transferred on 01.10.2009	(31,500)	0.01	0	0.00
	As on the date	0	0.00	0	0.00
4	<b>Mr. Abhishek Goel, Resigned on 06.05.2009</b>				
	Shares allotted on 28.07.2005	900	0.00	900	0.00
	Shares allotted on 21.10.2008	13,350	0.00	14,250	0.00
	Shares transferred on 04.10.2009	(14,250)	0.00	0	0.00
	As on the date	0	0.00	0	0.00
5	<b>Mr. Parmod Gupta, Resigned on 06.04.2015</b>				
	Shares allotted on 28.07.2005	17,500	0.00	17,500	0.00
	Shares transferred on 04.10.2009	(17,500)	0.00	0	0.00
	As on the date	0	0.00	0	0.00
6	<b>Mr. Vishal Garg, Resigned on 30.07.2013</b>				
	Shares acquired on 01.04.2009	20	0.00	20	0.00
	Shares Transferred on 04.10.2009	(20)	0.00	0	0.00
	As on the date	0	0.00	0	0.00
7	<b>Mr. Vishesh Gupta, Resigned on 30.11.2016</b>				
	Shares allotted on 15.11.2008	1,760	0.00	1,760	0.00

	Shares Transferred on 04.10.2009	(1,760)	0.00	0	0.00
	As on the date	0	0.00	0	0.00
8	<b>Mr. Vikas Garg</b>				
	Shares Acquired on 01.08.2001	20	0.00	20	0.00
	Shares transferred on 01.04.2009	(20)	0.00	0	0.00
	Shares Acquired on 17.11.2010	10	0.00	10	0.00
	Bonus Shares allotted on 17.10.2011	60	0.00	70	0.00
	Shares Acquired on 10.08.2014	94,472	0.02	94,542	0.02
	Shares allotted pursuant to merger on 09.04.2016	10,360,000	2.44	10,454,542	2.46
	Shares allotted on 20.01.2017 under right issue	1,750,000	0.41	12,204,542	2.87
	Split	122,045,420	28.73	122,045,420	28.73
	Shares allotted on 19.05.2017 under Bonus issue	48,818,168	11.49	170,863,588	40.23
	As on the date	170,863,588	40.23	170,863,588	40.23

**6. Details of Group Company(ies)/ Subsidiary Company(ies)/ Joint venture(s): NIL**

The details of Group Company (ies)/ Subsidiary Company (ies)/ Joint ventures(s) are mentioned below:

Details of Group companies based on turnover as on 30.09.2017 are given below: Not Applicable

Sr. No.	Name of the Group Company	Equity Share Capital	Turnover for the previous Financial Year	Profit after Tax for the previous Financial Year	Shareholding held in the Group Company	Listing Status

Total numbers of Subsidiary Companies/ Joint ventures/Associate Companies as on October 31, 2017 are mentioned below:

No. of Subsidiaries	
No. of Joint Venture	
No. of Associate Companies	

Details of Subsidiary (ies) Company which contribute more than 5% of revenue/profits/assets of the issuer company on consolidated basis in preceding financial year or the last period audited financial statements:

Sr. No.	Name of the Group Company	Equity Share Capital	Turnover for the previous Financial Year	Profit after Tax for the previous Financial Year	Shareholding held in the Group Company	Listing Status
Nil						

Details of Joint Venture(s) which contribute more than 5% of revenue/profits/assets of the issuer company on consolidated basis in preceding financial year or the last period audited financial statements:

Sr. No.	Name of the Group Company	Equity Share Capital	Turnover for the previous Financial Year	Profit after Tax for the previous Financial Year	Shareholding held in the Group Company	Listing Status
Nil						

**7. Financial Structure of the Company:**

**7.1. Details of Capital Structure of the Company:**

The authorized share capital is Rs. 43,00,00,000 (Rupees FortyThree Crores only) representing 43,00,00,000 (Forty Three Crore) Equity shares of Re. 1 (Rupee One only) each and the paid up share capital of the Company is Rs. 42,47,61,960 (Rupees FortyTwo Crores Forty Seven Lakh Sixty One Thousand and Nine Hundred Sixty Only) representing 42,47,61,960(Forty Two Crores Forty Seven Lakh Sixty One Thousand and Nine Hundred Sixty) Equity shares of Rs. 1(Rupee One only)each.

Details of capital structure of the Company						
Date of allotment	Shares issued		Cumulative paid up capital		Mode of allotment	Identity of allottees (promoters/ others)
	No.	%	No.	%		
13.11.1995	20	0.00	20	0.00	Cash	Promoters
11.01.2001	10,000	0.00	10,020	0.00	Cash	Promoters
30.07.2001	88,000	0.02	98,020	0.02	Cash	Promoters
09.03.2004	14,000	0.00	112,020	0.02	Cash	Promoters
30.09.2004	40,000	0.01	152,020	0.03	Cash	Promoters
01.07.2005	45,500	0.01	197,520	0.04	Cash	Promoters
28.07.2005	22,400	0.01	219,920	0.05	Cash	Promoters
21.10.2008	43,100	0.01	263,020	0.06	Merger	others
15.11.2008	44,000	0.01	307,020	0.07	Cash	Promoters
17.10.2011	1,842,120	0.43	2,149,140	0.50	Bonus	Promoters
31.03.2014	1,000,000	0.24	3,149,140	0.74	Cash	Promoters
09.04.2016	24,441,000	5.75	27,590,140	6.49	Merger	Others
20.01.2017	2,750,000	0.65	30,340,140	7.14	Cash	Promoters
15.05.2017	27,30,61,260	64.29	303401400	71.43	Split	Promoters
19.05.2017	12,13,60,560	28.57	42,476,1960	100.00	Bonus	Promoters & others

7.2. Details of financial position of last three financial years:

Amount (in Rs.)

Particulars	As per latest limited review for the nine months ended 25.10.2017	As per Last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
		2016-17	2015-16	2014-15
Equity Paid up Capital	424,761,960	30,34,01,400	275,901,400	275,901,400
Reserves and surplus	109,157,638	23,77,20,605	196,163,345	189,122,845
Carry forward losses	-	-	-	-
Net Worth	533,919,538	54,11,22,005	472,064,745	465,024,245
Miscellaneous Expenditure	-	-	-	-
Secured Loans	19,02,68,300	17,44,74,292	92,981,226	95,959,329
Unsecured Loans	-	-	-	-
Fixed Assets	5,52,12,175	51,882,659	4,240,174	4,699,456
Income from Operations	26,98,77,155	1,005,425,122	933,259,470	811,090,618
Total Income	30,00,94,945	1,028,510,993	949,607,468	819,117,572
Total Expenditure	29,12,18,541	1,019,998,292	941,131,805	813,862,373
Profit before exceptional and extraordinary items and tax	88,76,404	8,512,701	21,242	361,057

Profit before Tax	87,87,554	8,504,701	8,454,421	4,894,142
Profit after Tax	72,02,409	6,854,853	7,040,499	4,196,189
Cash profit	72,02,409	6,854,853	7,040,499	4,196,189
EPS	0.24	0.25	0.26	0.15
Book value	1.26	1.26	17.11	147.67

7.3. Details of Material Related Party Transactions: Nil

7.4. Aggregate Number of shares for capitalization of Reserves or Profits: 12,13,60,560

7.5. Details of Revaluation of assets: NA

**8. Details of Material Penal Actions/Litigations: NIL**

8.1. Details of material penal actions/ litigations against the Company:

8.2. Details of material penal actions/ litigations against the Promoters:

8.3. Details of material penal actions/ litigations against the Directors:

**9. Declarations:**

The Company, its promoters or its Directors are not in the list of ‘wilful defaulters’ issued by any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by RBI.

I, Preeti Rai, Company Secretary of the Company do hereby confirm that all the information provided in the document is true and fair to the best of my knowledge and belief as on the date of document.

**For VikasMultiCorp Limited**

SD/-

**(Preeti Rai)**  
**Company Secretary**

**Place:** New Delhi

**Date:** 17<sup>th</sup> January, 2018



**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT NEW DELHI  
COMPANY APPLICATION NO. CA (CAA) 139(PB)/ 2017**

**IN THE MATTER OF:**

**SECTIONS 230 and 232 OF THE COMPANIES ACT, 2013**

**AND**

**VIKAS ECOTECH LIMITED  
HAVING ITS REGISTERED OFFICE AT  
34/1 VIKAS APARTMENTS,  
EAST PUNJABI BAGH, NEW DELHI – 110026.**

**DEMERGED COMPANY  
(APPLICANT COMPANY - 1)**

**AND**

**VIKAS MULTICORP LIMITED  
HAVING ITS REGISTERED OFFICE AT  
G-1, 34/1, EAST PUNJABI BAGH,  
NEW DELHI – 110026.**

**RESULTING COMPANY  
(APPLICANT COMPANY 2)**

**FORM NO. MGT – 11**

**PROXY FORM**

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

Name of the Member(s) :

Registered Address :

E-mail ID :

Folio No. :

I / We being the Member(s) of \_\_\_\_\_ equity shares of Rs.1/- each of Vikas Ecotech Limited hereby appoint:

1. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID: \_\_\_\_\_ Signature \_\_\_\_\_

or failing him / her

2. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID: \_\_\_\_\_ Signature \_\_\_\_\_

or failing him / her

3. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID: \_\_\_\_\_ Signature \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Hon'ble National Company Law Tribunal (NCLT) convened meeting of the equity shareholders of the Company, to be held on Saturday 24<sup>th</sup> February, 2018 on 12.30 P.M at Haryana Maitri Bhawan, Sainik Vihar, Pitampura, New Delhi – 110034 and at any adjournment(s) thereof in respect of the resolution, as indicated below:

Item No.	Description of the Resolution
1.	Resolution for approval of the Scheme of Arrangement for Demerger of High Volume 'Recycled Compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited (Resulting Company) and their respective shareholders and creditors pursuant to the provisions of Section 230 to 232 and other provisions of the Companies Act, 2013 read with Rule 3 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of the Member(s) : \_\_\_\_\_

Affix

Revenue

Signature of Proxy holder(s): \_\_\_\_\_

Stamp

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

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**

**BENCH AT NEW DELHI**  
**COMPANY APPLICATION NO. CA (CAA) 139/(PB)/ 2017**

**IN THE MATTER OF:**

**SECTIONS 230 and 232 OF THE COMPANIES ACT, 2013**

**AND**

**VIKAS ECOTECH LIMITED**  
**HAVING ITS REGISTERED OFFICE AT**  
**34/1 VIKAS APARTMENTS,**  
**EAST PUNJABI BAGH, NEW DELHI – 110026.**

**DEMERGED COMPANY**  
**(APPLICANT COMPANY - 1)**

**AND**

**VIKAS MULTICORP LIMITED**  
**HAVING ITS REGISTERED OFFICE AT**  
**G-1, 34/1, EAST PUNJABI BAGH,**  
**NEW DELHI – 110026.**

**RESULTING COMPANY**  
**(APPLICANT COMPANY 2)**

**FORM NO. MGT.12**

**Polling Paper**

*[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the  
Companies (Management and Administration) Rules, 2014]*

Name of the Company: **Vikas EcoTech Limited**

CIN:L65999DL1984PLC019465

Registered office:34/1 East Punjabi Bagh, New Delhi-110026

**BALLOT PAPER**

S.	Particulars	Details
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No.		
1.	Name of the Sole/ First Named Equity Shareholder (In block letters).	
2.	Joint Equity Shareholder(s), if any. (In case joint holder is attending the meeting)	
3.	Name of the Proxy / Authorised Representative.	
4.	Postal address	
5.	Registered folio No.	
6.	Class of Shares	<b>EQUITY SHARES</b>

I hereby exercise my vote at the National Company Law Tribunal, Principal Bench, New Delhi convened Meeting of the Equity Shareholders of Vikas Ecotech Limited (Demerged Company”), held on Saturday 24<sup>th</sup> February, 2018 on 12.30 P.M at Haryana Maitri Bhawan, Sainik Vihar, Pitampura, New Delhi – 110034.in respect of Resolution enumerated below by recording my assent or dissent to the said Resolution in the following manner:

Item No.	Description of Resolution	No. of Shares held by the Shareholder	I assent to the Resolution (FOR)	I dissent from the Resolution (AGAINST)
1.	<p>The Scheme of Arrangement for Demerger of High Volume ‘Recycled Compounds and Trading Division’ (Demerged Undertaking) of Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited (Resulting Company)and their respective shareholders and creditors pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 read with Rule 3 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.</p> <p><b>(As per Resolution given in the Notice of the National Company Law Tribunal, Principal Bench, New Delhi convened Meeting of the Equity Shareholders of Vikas Ecotech Limited( Demerged Company-) will be held on 24<sup>th</sup>February , 2018.)</b></p>			

Place: New Delhi  
Date:

(Signature of the Shareholder/  
Proxy/ Authorised Representative)

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FOR OFFICE USE

Equity Shares held by Shareholder

Records

Date & Time on which Proxy

Form, if any, Lodged with the

Company

Signature of Chairperson

Appointed by the National  
Company Law Tribunal,  
Principal Bench, New Delhi

Signature of Alternate Chairperson

Appointed by the National  
Company Law Tribunal,  
Principal Bench, New Delhi

Signature of Scrutinizer

Appointed by the National  
Company Law Tribunal,  
Principal Bench, New Delhi



**VIKAS ECOTECH LIMITED**

**CIN: L65999DL1984PLC019465**

**Regd. Office: 34/1 VIKAS APARTMENT SEAST PUNJABI BAGH  
DELHI 110026**

**ATTENDANCE SLIP**

**For NCLT Convened Meeting of Equity Shareholders of VIKAS ECOTECH LIMITED**

**Proposed Scheme of Arrangement/Demerger of High Volume 'Recycled Compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited (Resulting Company) and their respective shareholders and creditors pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013.**

**Folio No :**

**Total no. of Shares:**

**Name of the Sole / First Equity Shareholder:**

**Joint Equity Shareholder(s), if any.**

**(In case joint holder is attending the meeting):**

**Name of Proxy/Authorized Representative:**

**Address :**

I/We hereby record my/our presence at the NCLT Convened meeting of Equity Shareholders of the Company pursuant to the Order dated 8<sup>th</sup> January, 2018 in the Company Application (CAA) 139(PB) / 2017, will be held on Saturday, the 24<sup>th</sup> Day of February, 2018; at 12.30 P.M at, Haryana Maitri Bhawan, Sainik Vihar, Pitampura, New Delhi – 110034

**Signature of Equity Shareholder/ Proxy Holder / Authorized Representative**

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**VIKAS ECOTECH LIMITED****CIN: L65999DL1984PLC019465****Regd. Office: 34/1 VIKAS APARTMENT SEAST PUNJABI BAGH DELHI  
110026**

Email –cs@vikasecotech.com Website : www.vikasecotech.com

Phone – 011-43144444, Fax: 011-43144488

**POSTAL BALLOT FORM (in lieu of E-Voting)**

(To be returned to the Scrutinizer appointed by the Company)

SL. No.

1. Name of the Member(s) :  
Beneficial Owner (Including joint  
Holders, if any, in block letters)
2. Registered Address of the Sole/  
first named / member Beneficial  
owner :
3. Registered Folio No. / DPID\* /  
Client ID\* (\* as applicable to  
investors holding shares in  
Dematerialized form) :
4. Number of equity Shares held :

I / We hereby exercise my / our vote in respect of the Resolution to be passed through postal ballot for the business stated in the Notice of Postal Ballot pursuant to Order CA (CAA) No. 139 (PB)/2017 dated 8<sup>th</sup> January, 2018 by Hon' able National Company Law Tribunal (NCLT) Principal Bench by sending my/ our assent or dissent to the said resolution by placing the tick (✓) mark at the appropriate column below:

<b>Item No.</b>	<b>Description of the Resolution</b>	<b>No. of Shares</b>	<b>I / We assent to the Resolution (FOR)</b>	<b>I / We dissent to the Resolution (AGAINST)</b>
1.	Resolution for approval of the Scheme of Arrangement for Demerger of High Volume 'Recycled Compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited (Demerged Company) into Vikas Multicorp Limited (Resulting Company) and their respective shareholders and creditors pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 read with Rule 3 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.			

Place:

Date:

\_\_\_\_\_  
Signature of the Member / Beneficial Owner

<b>ELECTRONIC VOTING PARTICULARS</b>		
<b>Electronic Voting Event Number (EVEN)</b>	<b>User ID</b>	<b>Password / PIN</b>

**Note: Please read the instructions printed overleaf carefully before exercising your vote**

### **INSTRUCTIONS**

#### **INSTRUCTION TO MEMBERS OPTING VOTE BY WAY OF POSTAL BALLOT**

- a) Shareholders desiring to exercise vote by Postal Ballot should complete and sign this postal Ballot Form and send it to the Scrutinizer, Mr. Vivek Goyal, Chartered Accountant 5756, Duplex House MHC, Manimajra Chandigarh-160101 in the enclosed postage prepaid self-addressed envelope, Postal Ballot Forms deposited in person or sent by post or courier at the expense of the Shareholder will also be accepted.
- b) Member is requested to fill the Postal Postal Form with indelible ink pen (and avoid filling it by using erasable writing medium / e.g. pencil etc.)
- c) This form should be completed and signed by the shareholder. In case of joint shareholding, this Postal Ballot Form should be completed and signed by the first named member and in his absence by the next named Member. Joint Shareholders shall be counted as single shareholder when voting right is considered.
- d) In respect of shares held by corporate and institutional shareholders (companies, trusts, societies, etc) the completed Postal Ballot Form should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorization, with the specimen signature(s) of the authorized signatory(ies) duly attested.
- e) The signature of the Shareholder on this Postal Ballot Form should be as per specimen signature furnished by National Securities Depository Limited (NSDL)/Central Depository Services(India)Limited(CDSL) or registered with the Company /Registrar, in respect of shares held in the dematerialized form or in the physical form, respectively.
- f) The right of voting by Postal Ballot shall not be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorized representatives with proof of their authorization, as stated above.
- g) Completed Postal Ballot Forms should reach the Scrutinizer not later than the close of working hours on **23.02.2018**. Postal Ballot Forms received after this date will be considered invalid.
- h) Postal Ballot Forms which are incomplete or unsigned or defective in any manner are liable to be rejected. The Scrutinizer's decision in this regard shall be final and binding.
- i) Shareholders seeking duplicate postal Ballot Form can write at the Registered office of the Company at 34/1, Vikas Apartments, East Punjabi Bagh, New Delhi or to the Company Registrar 4E/2, Jhandewalan Extension New Delhi-110005 or to the e-mail ID:

cs@vikasecotech.com completed and signed duplicate Postal Ballot Forms should, however, reach the Scrutinizer not later than the close of working hours i.e. **23.02.2018**.

- j) Shareholders are requested not to send any other paper along with this Postal Ballot Form.
- k) The Company is providing this facility as an alternate to remote e-voting facility provided for all its shareholders to cast their votes electronically instead of using the Ballot Form. The detailed procedure for e-voting has been enumerated in the Notice.
- l) In the event Members casts his / her votes through both the processes i.e E-Voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
- m) The Scrutinizer's decision on the validity of a Postal Ballot will be final.

#### **INSTRUCTION TO MEMBERS OPTING TO VOTE BY WAY OF E-VOTING**

- i) If you are holding shares of the company and had logged on to [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and voted on an earlier voting of any company, then your existing password is to be used. If you forget your password, you can reset your password by using "Forgot User Details / Password ?" or "Physical User Reset Password ?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at toll free No. 1800-222-990
- ii) Launch internet browser by typing the following URL : [https:// www.evoting.nsdl.com /](https://www.evoting.nsdl.com/)
- iii) Click on "Shareholders – Login
- iv) Put User ID and Password / initial password as provided in the box.Click Login.
- v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note New Password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi) Home page of remote e-voting opens. Click on remote e-voting Active Voting Cycles.
- vii) Select "EVEN" (e-voting event number) of "**Vikas Ecotech Limited**".
- viii) Now, you are ready for remote e-voting as Cast Vote page opens.
- ix) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "CONFIRM", else to change your vote, click on "BACK" and accordingly modify your vote.
- x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- xi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xii) You can also take out print of the voting done by you by clicking on "click here to print" option on the voting page.
- xiii) Institutional shareholders (i.e. other than Individuals,HUF, NRI etc.) are required to send a scanned copy (PDF /JPG Format) of the Board Resolution /Authority Letter /

Power of Attorney (POA) etc. together with attested specimen signature of the authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to vivek\_ca@yahoo.com or cs@vikasecotech.com with a copy marked to evoting@nsdl.co.in

- xiv) Shareholders holding multiple folios/ demat account shall choose the voting process separately for each folios/ demat account.
- xv) Members are eligible to cast vote electronically only if they are holding shares as on the cut-off date i.e **19.01.2018**
- xvi) The voting period shall commence at **25.01.2018** and will end at **23.02.2018**. The e-voting module shall be disabled by NSDL at 05.00 P.M. on the same day, e-voting shall not be allowed beyond the said date and time.

### **GENERAL INFORMATION**

- a) There will be one postal Ballot Form/e-voting for every Client ID No./Folio No. irrespective of the number of joint holders.
- b) A person, whose name appears in the register of Members / Beneficial owners as on cut-off date i.e **19<sup>th</sup> January, 2018** only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting.
- c) Shareholders can opt for only one mode of voting i.e. either by Postal Ballot or through e-voting. In Case you are opting for voting by Postal Ballot, then please do not cast your vote by e-voting and vice versa. In the event Members casts his / her votes through both the processes i.e E-Voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
- d) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions (“FAQs”) and remote e-voting manual available at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800-222-990.
- e) The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the company as on the cut-off date of **19<sup>th</sup> January, 2018**.
- f) Members can also download the notice of the meeting at [www.vikasecotech.com](http://www.vikasecotech.com) for exercising their e-voting rights.
- g) Members who have cast their vote through remote e-voting prior to the meeting may attend the meeting but shall not be allowed to cast their vote again.
- h) The Hon’ able National Company Law Tribunal (NCLT) Principal Bench vide its orders dated 08.01.2018 has appointed Mr. A.K. Tewari (Advocate) as Chairperson for the Meeting. Mr.Rohan Jaitley (Advocate) as Alternate Chairperson and Mr.Vivek Goyal, Chartered Accountant as Scrutinizer for the meeting.
- i) The Scrutinizer will submit his combined report to the Chairman of the meeting after completion of the scrutiny of the votes cast by the equity shareholders, which includes Public Shareholders, of the Demerged Company through e-voting process, and postal ballot. The scrutinizer will also submit a separate report with regard to the result of the postal ballot and e-voting in respect of Public shareholders. The scrutinizer’s decision on the validity of the vote (including e-votes) shall be final.