

*Vikas Global  ne Ltd.*



the alchemist at work, for you

**ANNUAL REPORT - 2011-12**

**CONTENTS**

	<b>Page Nos.</b>
Company Information	3
Board Committees & its Composition	4
Notice of Annual General Meeting	5
Director's Report	11
Management Discussion and Analysis	16
Report on Corporate Governance	20
Standalone Financial Statements	
Auditors' Report	36
Balance Sheet	39
Profit & Loss Account	40
Cash Flow Statement	41
Notes to Financial Statements	42
Consolidated Financial Statements	
Auditors' Report	63
Balance Sheet	66
Profit & Loss Account	67
Cash Flow Statement	68
Notes to Financial Statements	69



**COMPANY INFORMATION**

**BOARD OF DIRECTORS**

Dr. Nand Kishore Garg	Chairman - Non Executive Director
Mr. Brij Behari Tandon	Independent-Non Executive Director
Mr. Pradip Kumar Banerji	Independent -Non Executive Director
Mr. Jagdish Capoor	Independent-Non Executive Director
Mr. Sumer Chand Tayal	Independent-Non Executive Director
Mr. Purushottam Dass Bhoot	Independent-Non Executive Director
Mr. Narender Kumar Garg	Additional Director
Mr. Vivek Garg	Whole Time Director
Mr. Vikas Garg	Managing Director

**COMPANY SECRETARY & MANAGER - CORPORATE AFFAIRS**

Ms. Jyoti Somani

**STATUTORY AUDITORS**

M/s. RSPH & Associates,  
Chartered Accountants  
906, Vikram Tower,16, Rajendra Place, New Delhi -110008

**BANKERS**

Oriental Bank of Commerce  
ICICI Bank

**REGISTRAR & SHARE TRANSFER AGENT**

Alankit Assignments Limited  
2E/21, Alankit House, Jhandewalan Extension, Delhi -110055

**REGISTERED OFFICE**

Vikas House, 34/1, East Punjabi Bagh, New Delhi- 110026  
Email: cs@vikasglobal.in, investors@vikasglobal.in Website: www.vikasglobal.in

**MANUFACTURING PLANTS**

**JAMMU & KASHMIR**

Industrial Growth Centre,  
Phase-I, SIDCO Complex  
Dist. Samba-184121  
Jammu & Kashmir

**RAJASTHAN**

G-24-30, Vigyan Nagar,  
RIICO Industrial Area,  
Shahjahanpur,  
Dist, Alwar-301706  
Rajasthan

**BOARD COMMITTEES & ITS COMPOSITION**

**AUDIT COMMITTEE**

Mr. Narender Kumar Garg	Chairman
Mr. Sumer Chand Tayal	Member
Mr. Purushottam Dass Bhoot	Member

**SHAREHOLDER GRIEVANCE COMMITTEE**

Mr. Sumer Chand Tayal	Chairman
Mr. Vivek Garg	Member
Mr. Narender Kumar Garg	Member

**RISK MANAGEMENT COMMITTEE**

Mr. Pradip Kumar Banerji	Chairman
Mr. Vikas Garg	Member
Mr. Narender Kumar Garg	Member

**REMUNERATION COMMITTEE**

Mr. Brij Behari Tandon	Chairman
Mr. Pradip Kumar Banerji	Member
Mr. Narender Kumar Garg	Member
Mr. Vikas Garg	Member

**EQUITY WARRANT COMMITTEE**

Mr. Narender Kumar Garg	Chairman
Mr. Sumer Chand Tayal	Member
Mr. Vivek Garg	Member

**COMPENSATION COMMITTEE**

Mr. Narender Kumar Garg	Chairman
Mr. Sumer Chand Tayal	Member
Mr. Vikas Garg	Member

**EXECUTIVE COMMITTEE**

Mr. Vikas Garg	Chairman
Mr. Narender Kumar Garg	Member
Mr. Vivek Garg	Member

**NOTICE**

Notice is hereby given that the 27<sup>th</sup> (TWENTY SEVENTH) Annual General Meeting of VIKAS GLOBALONE LIMITED will be held on Thursday, the 27<sup>th</sup> day of September, 2012 at 11:30 A.M. at Haryana Maitri Bhawan, Pitampura, New Delhi - 110034 to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt the Audited Balance Sheet and Cash Flow Statement as at 31st March 2012, the Statement of Profit and Loss for the year ended on that date together with the reports of Auditors' and Directors' thereon.
2. To declare Final Dividend on Equity Shares for the financial year ended 31st March, 2012.
3. To appoint a Director in place of Mr. Sumer Chand Tayal who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Pradip Kumar Banerji who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Purushottam Dass Bhoot who retires by rotation, and being eligible, offers himself for re-appointment.
6. To appoint the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration and for that purpose to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**.

"RESOLVED THAT M/s RSPH & Associates, Chartered Accountants, be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting.

RESOLVED FURTHER THAT the Board of Directors or Audit Committee thereof, be and is hereby authorized to decide and finalize the terms and condition of appointment and the remuneration of the Auditors."

**Special Business:**

**7. Appointment of Mr. Narender Kumar Garg as a Director of the Company**

To consider and, if thought fit, to pass with or without modification, if any, the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT Mr. Narender Kumar Garg who was appointed by the Board of Directors as Additional Director with effect from 17th October, 2011 and who holds office upto the date of this Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956, and in respect of whom the company has received a notice in writing from the member under section 257 of the Companies Act, 1956 proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retirement by rotation.

RESOLVED FURTHER THAT the Mr. Vikas Garg, Managing Director and / or Mr. Vivek Garg, Director of the company, be and are hereby authorized, severally or jointly, to do all such necessary acts, as may be necessary to give effect to the above resolution."

For and On Behalf of the Board of Directors  
For Vikas GlobalOne Limited

Date : 14th August 2012  
Place: New Delhi

Nand Kishore Garg  
Chairman

**NOTES:**

- a. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND SUCH PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.**
- b. Members Companies / Organization are requested to send a copy of the resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- c. In accordance with the provision of Article of Association of the Company, Mr. Purushottam Dass Bhoot, Mr. Sumer Chand Tayal and Mr. Pradip Kumar Banerji, retire by rotation at this Annual General Meeting, being eligible offer themselves for re-appointment.
- d. Members are requested to bring their admission slips along with a copy of the Annual Report to the Annual General Meeting.
- e. The Register of Members and Share Transfer Books of the Company will be closed from Friday, 21<sup>st</sup> day of September, 2012 to Thursday, the 27<sup>th</sup> day of September, 2012 (both days inclusive).
- f. If the dividend as recommended by the Board of Directors is approved at the Annual General Meeting, payment of such dividend will be made on or after 27<sup>th</sup> day of September, 2012 as under:
  - i. To all Beneficial Owners in respect of shares held in electronic form, as per the data made available by the National Securities Depository Limited and the Central Depository Services (India) Limited, as of the close of business hours on 20<sup>th</sup> day of September, 2012.
  - ii. To all Members in respect of shares held in physical form, after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 20<sup>th</sup> day of September, 2012.
- g. M/s Alankit Assignment Ltd. having Corporate Office at 'Alankit House' 2E/21, Jhandewalan Extension, New Delhi-110055 is the Registrar and Share Transfer Agent of the Company for physical shares as well as depository interface with NSDL and CDSL.
- h. (A) In order to provide protection against fraudulent dividend warrants, Members who hold shares in physical form are requested to intimate the Company's Registrar and Share Transfer Agents (RTA), M/s Alankit Assignments Limited under the signature of Sole/First joint holder, the following information to be printed on Dividend Warrants:
  - (i) Name of the Sole/First joint holder and the Folio number
  - (ii) Particulars of Bank Accounts, viz:
    - (iii) Name of the Bank
    - (iv) Name of the Branch
    - (v) Complete address of the Bank with the pin code number
    - (vi) Account type, whether Saving Account or Current Account
    - (vii) Bank Account number
- (B) Members who hold shares in dematerialized form, may kindly note that their Bank account details, as furnished by the Depositories to the Company, will be printed on their Dividend Warrants as per the applicable regulation of the Depositories.

- i. Members are requested to intimate to the Company about queries, if any, regarding these Accounts / Notice at least 7 days before the meeting to enable the management to keep the information ready at the meeting.
- j. Members who are holding shares in more than one folio are requested to write to the Company to enable the Company to consolidate their holdings in one folio.
- k. All documents referred to in the accompanying notice and explanatory statements are open for inspection at the registered office on all working days except Sundays and Holidays between 11:00A.M to 1:00 P.M upto the date of Annual General Meeting.
- l. Members are requested to promptly notify to the Company any change in their addresses.
- m. In terms of Section 109A of the Companies Act, 1956, the shareholders of the Company may nominate a person to whom the shares held by him shall vest in the event of his death.
- n. The shares of the Company are currently listed at National Stock Exchange, Bombay Stock Exchange and Delhi Stock Exchange and the Annual Listing Fee including service tax has been duly paid for the financial year 2012-13.
- o. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of business under Item no. 7 set out above and details under Clause 49 of the Listing Agreement of the Stock Exchanges.

The Ministry of Corporate Affairs has taken a Green Initiative in the Corporate Governance by allowing paperless compliances by the Companies and has issued circulars stating that the service of notices/documents including Annual Report sent by e-mail to its members.

The Company in support of the Green Initiative of MCA, propose to send its notices, annual report etc. in electronic form to the members. The members who wish to receive the said documents in electronic form are requested to register to register/update their e-mail addresses as per the following:

- Members holding equity shares of the Company in the electronic form are requested to update/register their e-mail addresses with their respective depository participants.
- Members holding equity shares in physical form are requested to update/ register their e-mail addresses with the Company by sending a mail to [cs@vikasglobal.in](mailto:cs@vikasglobal.in) or [investors@vikasglobal.in](mailto:investors@vikasglobal.in) mentioning their name and folio number.

**EXPLANATORY STATEMENT**

**(Pursuant to Section 173(2) of the Companies Act, 1956)**

As required under Section 173(2) of the Companies Act, 1956, the following explanatory statement sets out the matter in relation to item no. 7 of the accompanying notice dated 14<sup>th</sup> August, 2012.

**ITEM NO. 7**

**APPOINTMENT OF MR. NARENDER KUMAR GARG AS DIRECTOR OF THE COMPANY**

The Board of Directors at its Meeting held on 17<sup>th</sup> October, 2011 appointed Mr. Narender Kumar Garg as an Additional Director with effect from 17<sup>th</sup> October, 2011, pursuant to Section 260 of the Companies Act, 1956, Mr. Narender Kumar Garg will hold office upto the date of forthcoming Annual General Meeting and is being eligible for appointment as a Director. The Company has received a notice under Section 257 of the Companies Act, 1956, proposing appointment of Mr. Narender Kumar Garg, as Director of the Company.

Mr. Narender kumar Garg, 62 years holds Masters Degree in Political Science and History and an Independent & Non-Executive Director of the Company.

He has served on the Board of Super Bazaar (The Cooperative Store Ltd), New Delhi and Chairman of Disciplinary Committee of Super Bazaar. He was also the member of Azadpur Mandi Committee, Delhi Government. Addition to that he was appointed as an arbitrator with the Registrar of Corporative Societies, Delhi Government.

He is a Managing Director of ISG Securities and Finance Pvt. Ltd. an NBFC and Director of JBG Indraprastha Developers Pvt. Ltd. possesses vast experience in the field of Finance, Legal and Marketing. The company is enlightened by his rich and vast experience in its financial and legal decision making.

He is the Chairman of Audit Committee, Equity Warrant Committee and Compensation Committee and member of the Shareholder Grievance Committee, Risk Management Committee, Executive Committee and Remuneration Committee.

None of the Director except Mr. Narender Kumar Garg is concerned or interested in this Ordinary Resolution.

The Board recommends this Ordinary Resolution for the approval of the members.

**ANNEXURE**

Information pursuant to Clause 49 of the Listing Agreement of Stock Exchanges regarding appointment of a new Director or re-appointment of a Director at this Annual General Meeting

Name of Director	Sh. Narender Kumar Garg
Date of Birth	12.10.1949
Date of Appointment	17.10.2011
Specialized Expertise	He has served on the Board of Super Bazaar (The Cooperative Store Ltd), New Delhi and Chairman of Disciplinary Committee of Super Bazaar. He was also the member of Azadpur Mandi Committee, Delhi Government. Addition to that he was appointed as an arbitrator with the Registrar of Corporative Societies, Delhi Government. He is a Managing Director of ISG Securities and Finance Pvt. Ltd. an NBFC and Director of JBG Indraprastha Developers Pvt. Ltd. possesses vast experience in the field of Finance, Legal and Marketing. The company is enlightened by his rich and vast experience in its financial and legal decision making .
Qualifications	M.A. (Political Science) M.A.(History)
Directorship of other Public Limited Companies as at 31 <sup>st</sup> March, 2012	N.A.
Chairmanship/ Membership as at 31 <sup>st</sup> March, 2012 in the Vikas GlobalOne Limited	Chairman in Audit Committee, Equity Warrant Committee and Compensation Committee. Member in Shareholders Grievance Committee, Risk Management Committee, Remuneration Committee, and Executive Committee
No. of shares held in the Company as on 31 <sup>st</sup> March, 2012 in the Vikas GlobalOne Limited	NIL

Name of Director	Sh. Pradip Kumar Banerji
Date of Birth	04.07.1942
Date of Appointment	25.07.2008
Specialized expertise	He was the member of Indian Administrative Service, 1966 batch, West Bengal. He has also served on the senior level position in the Government of India like Finance Secretary and State Governments like Secretary to the Governor of West Bengal. He has gained rich experience in the field of Finance, Industry, Foreign Trade, Foreign Investment while his association with the World Bank, Asian Development Bank, IFC, European Union, ICAO etc. The Company is benefitted by his Global connections and financial analytical capability, which includes feasibility study for the new project. He has also been awarded Padma Shri in 1972 for his outstanding public service. Also he has been awarded Medal of Honor by the Soviet Chamber of Commerce and Industry in 1984.
Qualifications	Post Graduate in Economics from Lucknow University

## VIKAS GLOBALONE LIMITED

Directorship of other Public Limited Companies as at 31 <sup>st</sup> March, 2012	N.A.
Chairmanship/ Membership as at 31 <sup>st</sup> March, 2012 in the Vikas GlobalOne Limited	Chairman of the Risk Management Committee. Member of the Remuneration Committee.
No. of shares held in the Company as on 31 <sup>st</sup> March, 2012 in the Vikas GlobalOne Limited	NIL

Name of Director	Sumer Chand Tayal
Date of Birth	29.10.1944
Date of Appointment	07.07.2006
Specialized Expertise	Rich experience in materials management for executing various construction / Development Projects.
Qualifications	Civil Engineer
Directorship of other Public Limited Companies as at 31 <sup>st</sup> March, 2012	N.A.
Chairmanship/ Membership as at 31 <sup>st</sup> March, 2012 in the Vikas GlobalOne Limited	Chairman of Shareholder Grievance Committee. Member of Equity Warrant Committee, Compensation Committee, Audit Committee.
No. of shares held in the Company as on 31 <sup>st</sup> March, 2012 in the Vikas GlobalOne Limited	NIL

Name of Director	Purushottam Dass Bhoot
Date of Birth	01.03.1929
Date of Appointment	27.07.1994
Specialized expertise	Handling Legal & Secretarial assignments, and providing valuable support to the operations of the Company.
Qualifications	LLB & FCS
Directorship of other Public Limited Companies as at 31 <sup>st</sup> March, 2012	Bhatkawa Tea Industries Limited
Chairmanship/ Membership as at 31 <sup>st</sup> March, 2012 in the Vikas GlobalOne Limited	Member of Audit Committee.
No. of shares held in the Company as on 31 <sup>st</sup> March, 2012 in the Vikas GlobalOne Limited	1,000 Nos. of Rs. 10/- Equity Shares

**For and On Behalf of the Board of Directors  
For Vikas GlobalOne Limited**

**Nand Kishore Garg  
Chairman**

Date: 14th August 2012  
Place: New Delhi

**DIRECTOR'S REPORT**

To the Members,

Yours Directors have pleasure in presenting the 27th (Twenty Seventh) Annual Report of your Company and Audited Statement of Accounts for the year ended 31st March, 2012.

**FINANCIAL PERFORMANCE SUMMARY:**

(Rupees in Lacs)

Particulars	Vikas GlobalOne Limited (Standalone)		Vikas GlobalOne Limited (Consolidated)	
	2011-2012	2010-11	2011-2012	2010-11
Gross Income	11,485.95	9,967.90	17059.17	12,185.56
Gross Expenditure	10,841.04	9,543.95	16021.39	11,333.96
Add: Share of Profit from Partnership firm/Minority Interest	246.52	201.18	(121.70)	(193.29)
Less: Prior Period adjustments (net)	0.04	0.43	0.19	1.51
<b>Net Profit before Tax</b>	<b>879.74</b>	<b>624.70</b>	<b>914.34</b>	<b>656.80</b>
Less: Provision for Taxation	4.61	6.50	17.50	11.58
Less: Provision for Deferred Tax	8.65	13.32	3.08	13.33
Less: Provision for Taxation (earlier years)	(5.63)	(2.73)	(5.62)	(2.73)
<b>Net Profit after Tax</b>	<b>872.11</b>	<b>607.61</b>	<b>899.38</b>	<b>634.62</b>
Add: Balance brought forward from previous year	875.25	384.10	902.26	386.77
Add: Adjustment prior period Income from Sigma Plastic Industries	-	1.36	-	(1.31)
<b>Profits available for appropriation</b>	<b>1,747.36</b>	<b>993.07</b>	<b>1801.64</b>	<b>1,020.08</b>
Less: Proposed Dividend	50.52	101.04	50.52	101.04
Less: Provision for Dividend Distribution Tax	8.20	16.78	8.20	16.78
<b>Profits carried to Balance Sheet</b>	<b>1,688.64</b>	<b>875.25</b>	<b>1742.92</b>	<b>902.26</b>

**REVIEW OF OPERATIONS:**

Your Company has been able to achieve its target of improvements in nearly all the spheres of its operation through cost control measures, effective utilization of available resources, better planning and management, concentrated efforts of all concerned.

On Standalone basis, the gross turnover during the year under review (FY 2011-12) is Rs. 11,485.95 Lacs as against Rs. 9,967.90 Lacs in the previous year (FY 2010-11), registering an overall increase of 15.23%, Net Profit after Tax during the year under review (FY 2011-12) is Rs.872.11 Lacs as against Rs.607.61 Lacs in the previous year (FY 2010-11), an overall increase of 43.52%.

In compliance with the Accounting Standard 21, Consolidated gross turnover during the year under review (FY 2011-12) is Rs. 17059.17 Lacs as against Rs. 12,185.56 Lacs in the previous year (FY 2010-11), registering an overall increase of 40 %.The Profit after Tax during the year under review (FY 2011-12) is Rs. 899.38 Lacs as against Rs.634.62 Lacs in the previous year (FY 2010-11), an overall increase of 41 %.

**DIVIDEND:**

Based on the Company's performance and future requirements of funds to cater the ongoing expansion program of the company, your Directors are pleased to recommend for approval of the members a final dividend of Rs. 0.50 per share for the year ended 31st March, 2012 and will absorb Rs 58.72 Lacs including Dividend Distribution Tax of Rs. 8.20 Lacs.

The final dividend, if approved, will be paid to the members within the period stipulated by the Companies Act, 1956, through either of ECS (preferably), NEFT, dividend warrants, bankers' cheques.

**CORPORATE GOVERNANCE:**

VGL is committed to practicing sound corporate governance in conducting business in a legal, ethical and transparent manner - a dedication that originate from very top and permeates through the organization. Besides adherence to the sound Corporate Governance practice as per clause 49 of the listing Agreement, it voluntarily governs itself as per highest standard of ethical and responsible conduct of business in line with the local and global standards. Strong governance practices at VGL has earned for it recognition and has strengthened its bond of trust not only with the stakeholders but with the society at large.

A Certificate from Auditors of the company regarding compliance of the conditions of the Corporate Governance, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange, is attached as Annexure I and form part of this report.

Certificate of the CEO/CFO, inter-alia confirming the correctness of the financial statement, compliance with Company's Code of Conduct, adequacy of the Internal Control measures and reporting of matters to the Audit Committee in terms of Clause 49 of the Listing Agreement with the Stock Exchange, is attached in the Corporate Governance Report and forms part of this Annual Report.

**CREDIT RATINGS:**

**CRISIL:**

The Company has also obtained credit rating NSIC (National Small Industries Corporation Limited) - CRISIL: SE 1B, from CRISIL, a subsidiary of Standards & Poor's Company of USA, which is one of the leading companies in the world and India's most influential rating agency. CRISIL ratings provide the most reliable opinions on the risk by combining its understanding of risk & the science of building risks frameworks, with a contextual understanding of business.

Risk rating of SE 1B indicates highest performance capability and moderate financial Strength.

**DIRECTORS:**

In terms of Clause 86 of the Article of Association of the company, Mr. Purushottam Dass Bhoot, Mr. Sumer Chand Tayal and Mr. Pradip Kumar Banerji will retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment in terms of the provisions of Section 255 read with section 256 of the Companies Act, 1956.

Mr. Narender Kumar Garg, who was appointed as Additional Director by the Board in its meeting held on 17th October, 2011 and holds office upto the date of ensuing Annual General Meeting, in terms of Section 260 of the Companies Act, 1956 and is eligible for appointment as director of the Company. The Company has received a notice in writing under Section 257 of the Act proposing his candidature for the office of Director of the Company. Accordingly, the Board recommends the members to appoint him as Director of the Company whose office shall be liable to retire by rotation.

The brief resume of the Directors who are to be appointed/re-appointed, the nature of their expertise in specific functional area, name of the other companies in which they held directorship, Committee

membership/chairmanship, their shareholding, etc are furnished as Annexure to the Explanatory Statement to the Notice of the ensuing Annual General Meeting.

Your Directors recommend their appointment/re-appointment at the ensuing Annual General Meeting.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Director's Responsibility Statement pursuant to section 217(2AA) of the Companies Act, 1956, the Directors of the Company hereby confirm:

1. That in the preparation of Annual Accounts the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. That your Directors have 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 affairs of the company at the end of financial year and of the Profit of the Company for that period;
3. That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That your Directors have prepared the Annual Accounts for the financial year ended 31st March, 2012 on a Going Concern Basis.

**CAPITAL STRUCTURE:**

**Paid-up Share Capital** - In the previous year 2010-2011 the Paid-up Share Capital of the Company was stood at Rs. 10,10,39,370 comprising 1,01,03,937 Nos. of Equity Shares of Rs. 10 each and in the current year 2011-2012 also there is no change.

**LISTING OF SECURITIES:**

The Company gets its securities listed on the National Stock Exchange (NSE) with effect from 8th December 2011. Now the securities of the company are listed at National Stock Exchange (NSE), Bombay Stock Exchange (BSE), and Delhi Stock Exchange (DSE) and are actively traded. The Annual Listing Fee including service tax for the financial year 2012-13 has been paid to all of the Stock Exchanges.

**STATUTORY AUDITORS AND THEIR REPORT:**

M/s RSPH & Associates, Chartered Accountants, New Delhi being the Statutory Auditors of the Company will retire at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment, as the Statutory Auditor of the company for the Financial Year 2012-13. The company has received a letter from them to the effect that their re-appointment, if made, would be within the limit prescribed under section 224(1B) of the Companies Act, 1956 and they are not disqualified for such re-appointment within the meaning of the Section 226 of the Companies Act, 1956.

The Observation of the Auditors together with their notes to accounts forming part of the Balance Sheet and the Cash Flow Statement as at 31st March, 2012 and the Statement of Profit & Loss for the year ended on that date, referred to in the Auditors Report are self explanatory and do not call for any further explanation from the Directors.

**INTERNAL CONTROL SYSTEMS:**

The Management continuously reviews the internal control systems and procedures for the efficient conduct of the Company's business. The Company adheres to the prescribed guidelines with respect to the transactions, financial reporting and ensures that all its assets are safeguarded and protected against losses. M/s KSMC & Associates, the internal auditor of the Company conducts the Audit on regular basis and the Audit Committee actively reviews

internal audit reports and effectiveness of internal control systems.

Internal Control Systems are implemented to safeguard the Company's assets from loss or damage, to keep constant check on the cost structure, to prevent revenue leakage, to provide adequate financial and accounting controls and implement accounting standards.

**PARTICULARS OF EMPLOYEES:**

The statement of information as required under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 in respect of employees of Vikas GlobalOne Limited does not apply.

**ENERGY, TECHNOLOGY & FOREIGN EXCHANGE:**

As the required in terms of section 217(1)(e) of the Companies Act, 1956 read by the Companies (Disclosure of Particulars in the Report of Board of Director) Rules, 1988, the relevant data pertaining to conservation of energy, its consumption, technology absorption, research & development and foreign exchange earnings and outgo are given in the prescribed format as annexed hereto and forms an integral part of this report.

**PUBLIC DEPOSITS:**

During the period under review, the Company has not accepted any deposits from the public within the meaning of section 58A of the Companies Act, 1956.

**FAIR & EXHIBITIONS:****PLAST INDIA**

Plastindia is an international plastics exhibition and conference in New Delhi where national and international exhibitors present their new products and technologies. Our Company had also showcased its numerous products in basic and performance plastics which include Speciality Polymer Compounds and Additives & fillers. During the exhibition several enquiries were raised and were subsequently responded. This exhibition proved to be of great advantage as company is able to start its export to countries like Bangladesh, Pakistan, Sri Lanka, China, UAE, Turkey, Spain and Iran.

**AFMEC - MEET AT AGRA 2011 - LEATHER, FOOTWEAR COMPONENTS & TECHNOLOGY FAIR**

The Company's participation in the Agra fair held in November '2011 resulted in enhancement of business prospects. The Company exhibited its TPR compounds (Thermoplastic Rubber), which is used for shoe Industry and grabbed the attention of national and international buyers and created a significant impact in the market. In totality the Company received a good response for the exhibited product.

**INDIA INTERNATIONAL LEATHER FAIR (IILF), CHENNAI**

IILF is known for its vivid presentation of leather industry and we as a component manufacturer took part in the same and exhibited our product TPR compounds (Thermoplastic Rubber) which is used in to make shoe soles. The Company received quite a fair response in regards to our product and caught the eyeballs of many domestic as well as international buyers. Queries generated were satisfactorily answered. Our Participation benefitted us and helped us to increase our customer base.

**DHAKA BANGLADESH BUYERS SELLER MEET (BSM)**

The Company has spread its wings for the first time in the Bangladesh through Dhaka Bangladesh BSM, which was organized by IFCOMA in December 2011. We exhibited TPR compounds (Thermoplastic Rubber), which is used for shoe Industry. We have greatly benefitted from this meet. Through this the Company scope of exports has widened and got recognition. Moreover, during the course of exhibition many inquires came up which we could use to our advantage. Overall, the meet brought lot of hope and encouragement.

Company has also attended the conferences organized by CII and FIEO.

**ACKNOWLEDGEMENT**

The Directors wish to express their grateful appreciation for assistance and cooperation received from Banks, Government Authorities, Stock Exchanges, Customers, Vendors and Members during the period under review. Your Directors also wish to place on record their appreciation for the committed services of the staff and workers of the Company.

For and On Behalf of the Board of Directors  
For Vikas GlobalOne Limited

Nand Kishore Garg  
Chairman

Date: 14<sup>th</sup> August 2012  
Place: New Delhi

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

**ECONOMY OVERVIEW & GROWTH:**

The global scenario presents a mixed picture with an overall bias of negative outlook. While negative bias hitting growth in emerging market economies (EMEs) still it remains on upside than that in the US and the Euro area is clearly losing its momentum. Further, the sharp increase in crude prices as a result of the turmoil in the Middle East and North Africa is adding uncertainty to the pace of global recovery. Further, coming on top of already elevated food and other commodity prices, the spike in crude prices has endangered inflation concerns.

The year went was like to be sailing in rough weather with almost all factors not favoring the business such as record high inflation, increase interest rates, depreciating rupee, failing sentiments, etc. With all these factors causing the Indian Economy for almost whole of the year under review, Indian Economy after recording a growth of around 8.5 percent during preceding year, estimated to grow only by 6.9 percent during the year under review, clearly signaling slowdown by the end of the year. Further, it is expected that the growth for the FY 2012-13 to be around 6 percent.

The global economic environment, which has been tenuous at best throughout the year, turned sharply adverse in September 2011 owing to the turmoil in the euro zone, and questions about the outlook on the US economy provoked by rating agencies. However, for the Indian economy, the outlook for growth and price stability at this juncture looks more promising. There are signs from some high frequency indicators that the weakness in economic activity has bottomed out and a gradual upswing is imminent.

The global economic environment in 2013 is likely to be better than 2012 with growth driving from emerging economies and revival of US and Euro zone economies. China and India would strive to become more self reliant on feed stocks and polymers. Further, the growth has been achieved through its various large scale projects and setting benchmarks in respect of product quality, standards and services.

**KEY DRIVERS**

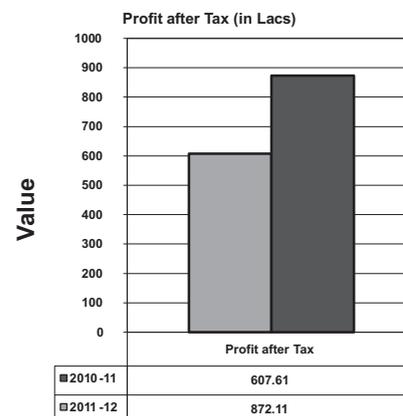
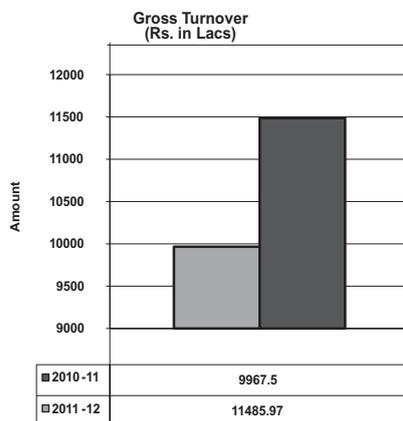
During the year under review, your company added few products to its kitty. The response from the market on the products was overwhelming and got good acceptance by its customers. The Company planned to even add on the capacities for the production of its existing plant locations or any new strategic locations.

Your company is further looking into addition of other products in the forthcoming years and to explore its business in overseas market with focus on Europe, Iran, Iraq and Pakistan. It has also set-up a dedicated team for seeing the opportunities in these markets and to explore the same for future growth of the company.

**FINANCIAL PERFORMANCE**

Financial performance has been given separately in the Directors' Report.

The Company is able to maintain its increasing trend in profitability. During the year (FY 2011-12) under review, the Company achieved the gross turnover of Rs. 11,485.97 Lacs as against Rs. 9,967.50 Lacs in the previous year (FY 2010-11). The Profit after Tax during the year (FY 2011-12) under review was Rs. 872.11 Lacs as against Rs. 607.61 Lacs in the previous year (FY 2010-11).



**CAUTIONARY STATEMENT**

Statements in the Management Discussion & Analysis Report seek to describe the Company's objectives, projections, estimates, expectations or predictions may be considered to be "forward looking statements" within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however, differ materially from those express or implied. Important factors that could make the difference to the Company's operations include global and Indian political conditions.

**ANNEXURE 'A' TO DIRECTOR'S REPORT**

Information as per section 217(1)(e) read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Director's Report for the year ended 31st March, 2011:

**CONSERVATION OF ENERGY**

- The Company shall continue its endeavor to improve energy conservation and utilization.
- Total energy consumption and production as per Form - A of the annexure to the Rules.

Form A for disclosure of particulars with regard to conservation of energy:

**Power & Fuel Consumption**

Electricity	2011-2012 (Rs. In lacs)	2010-2011 (Rs. In lacs)
Purchased	61.94	51.12
Through own generation	14.68	25.11

**Consumption per unit of production**

Product	Electricity (Units)		Own Generation (Units)	
	2011-2012	2010-2011	2011-2012	2010-2011
Calcium Powder & TPR	13.46	1.40	3.99	1.65
ESBO	1.23	1.7	1.12	2.3
Heat Stabilizer (TINMATE-201)	0.46	0.96	0.84	1.04

**TECHNOLOGY ABSORPTION**

Efforts made in technology absorption as per Form B of the Annexure to the Rules:

**Research & Development (R & D)****(a) Specific Areas in which R & D carried out by the Company:**

During the year under review, no R & D carried out.

**(b) Benefits derived as a result of above R & D: Not applicable.**

**(c) Future Plan of Action/Expansions Plans:**

1. During the financial year 2011-12 company has expanded capacity of TRP/TPE compounds and Epoxidized Soya Bean Oil by almost 100%. Presently company is already working on almost 90% - 100% capacity utilization. Hence company is further contemplating expansion of both production and capacity in current Financial Year to get the benefit of Economies of Scale as well as consolidated its position in the market.
2. Company has purchased 8 acres of land at Dahej-2 Industrial Estate, Distt. Bharuch, Gujarat for execution of its plan to develop a manufacturing unit of Chlorinated Paraffin Wax, Hydrochloric Acid and Epoxidized Soya Bean Oil. It would allow the company to cater the customers in the western part of the country including Maharashtra and Gujarat. The Products to be manufactured will also be exported to different countries.
3. Company is planning to setup the Polyester/Pet Compounding unit on a large scale for which a suitable location in Union Territory of Silvassa, a major hub of the product has been planned out. These products have huge potential both in the domestic and Export markets. Its applications include fibers, fabrics, strapping, containers etc.
4. Company's expansion plans are not limited to Domestic areas but also working to increase its market share in outside countries. Emphasizing on the Exports will contribute in the growth of the company in big way in terms of earning of Foreign Exchange, Stability in the production and better costing and Brand building not only in the Domestic Market but also globally.

**TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:**

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.

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year under review, expenses were incurred on import of technology, raw materials and further expenses were incurred on foreign traveling of directors and other executives of the Company.

Earnings : Rs. 1,75,42,884/-

Outgo : Rs. 28,32,68,624/-

**ANNEXURE 'B' TO DIRECTOR'S REPORT**

Financial details of Subsidiaries pursuant to the approval under Section 212(8) of the Companies Act, 1956  
(Financial Year ended 31st March, 2012)

₹ (Rupees in Lacs)

Name of the Subsidiary	Moonlite Technochem Private Limited	Sigma Plastic Industries (Partnership Firm)
Capital	214.91	848.92
Reserve	86.48	Nil
Total Assets	2,165.93	1,405.98
Total Liabilities (Loans + Current Liabilities)	1,864.54	557.06
Investment (Except in case of investment in subsidiaries)	Nil	Nil
Turnover (Including other income)	6,436.83	2458.42
Profit (Loss) before Taxation	30.48	368.19
Provision for Taxation	7.32	Nil
Profit (Loss) after Taxation	23.16	368.19
Proposed Dividend	Nil	Nil

Notes:

- 1) The Company hereby undertakes that annual accounts of the above said Subsidiaries and related information will be made available to the holding and subsidiaries investors seeking such information at any point of time.
- 2) The annual accounts of the above said Subsidiaries are ready for inspection by any investors in the head office of the Company and that of the subsidiary's office.

**For and on behalf of the Board of Directors  
For Vikas GlobalOne Limited**

**Nand Kishore Garg  
Chairman**

Place: New Delhi  
Date: 14<sup>th</sup> August 2012

## REPORT ON CORPORATE GOVERNANCE

Corporate Governance refers to the blend of law, regulations and voluntary practices that are able to attract the best of capital and talent. Strong corporate governance is indispensable for safeguarding the interests of shareholders. The Company understands and respects its fiduciary role and responsibility towards shareholders and strives hard to meet their expectations.

Effective Corporate Governance needs to internalize and adopt a core set of values which further strengthen the Management and the decision-making process, resulting in creation of value and wealth for the shareholders on sustainable and long-term basis. Corporate Governance is the key factor in attaining fairness for all stakeholders and achieving organizational efficiency. A detailed policy is established to provide a direction and framework for managing and monitoring the Company in accordance with the principles of good Corporate Governance, thus ensuring fairness in all transactions within and outside the Company with investors, customers, employees, competitors and the society at large.

VGL's Board of Directors and Management are deeply committed to pursuing growth by adhering to the highest national and international standards of Corporate Governance. As a Company, VGL believes good Corporate Governance and transparency in actions of the Management to be the key to building strong trust with the Company's stakeholders. Good governance practices in the Company include adoption of best Board practices, respect and protection of minority views and interests, and institutionalization of fair and transparent reporting systems in true spirit, beyond merely complying with mandatory requirements. The Company's commitment towards adoption of sound governance, at par with global standards on a sustained basis is evident from the fact that it had put in place systems and procedures well before these become mandatory. This attitude of VGL has strengthened the bond of trust with its stakeholders, and also with the society at large.

This chapter, along with the chapters on Management Discussion and Analysis reports VGL's compliance with Clause.

### CORPORATE GOVERNANCE PHILOSOPHY

VGL's philosophy of Corporate Governance is based on preserving core values and ethical business conduct. Corporate Governance is integral to the philosophy of the Company in its pursuit of excellence, growth, and value creation. The Company's philosophy is to achieve business excellence and optimize long term value for its shareholders on a sustained basis through ethical business conduct. It envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations and all its interactions with shareholders, employees, lenders and government.

In line with VGL's commitment to good Corporate Governance practices, the main role of the Company's Board of Directors is to oversee how the Management is serving the interests of all stakeholders. The Company has been focusing, and always will focus, on long-term value creation for all its shareholders, employees, creditors and regulatory bodies. Commitment to maximizing shareholder value on a sustained basis, while looking after the welfare of multiple stakeholders, is a fundamental shared value of VGL's Board of Directors, Management and employees, and critical to the Company's success. This value system translates into institutionalizing structures and procedures that enhance the efficacy of the Board and inculcate a culture of transparency, accountability and integrity across the Company. VGL's initiatives towards this end include: professionalization of the Board; fair and transparent processes and reporting systems; and going beyond the mandated Corporate Governance Code requirements of SEBI.

### BOARD OF DIRECTORS

#### **Composition of Board**

The composition of Board of Directors of the Company is in conformity with Clause 49 of the Listing Agreement with the Stock Exchanges, which stipulates that a Company shall have an optimum combination of Executive and Non-Executive Directors, with not less than 50 per cent of the Board comprising Non-Executive Directors, and where the Non-Executive Chairman is the promoter of the Company, at least one-half of the Board of the Company consisting of Independent Directors

As on 31st March, 2012, the Company has 9 (Nine) Directors with a Promoter & Non- Executive Chairman. Out of the Nine Directors, 6 (Six) are Independent & Non-Executive Directors. 1 (One) is Promoter & Non Executive Chairman and 2 (Two) are Promoter & Executive Directors.

Composition and the category of the Directors as on 31st March, 2012 are as follows:

S.No.	Name of Director	Designation	Position
1.	Nand Kishore Garg	Chairman	Promoter- Non Executive
2.	Brij Behari Tandon	Director	Independent-Non Executive
3.	Pradip Kumar Banerji	Director	Independent-Non Executive
4.	Jagdish Capoor	Director	Independent-Non Executive
5.	Sumer Chand Tayal	Director	Independent-Non Executive
6.	Purushottam Dass Bhoot	Director	Independent-Non Executive
7.	Narender Kumar Garg	Director	Additional Director
8.	Vivek Garg	Director	Promoter - Whole Time Director
9.	Vikas Garg	Director	Promoter - Managing Director

#### **DIRECTORS PROFILE**

Brief profile of all the Directors, nature of their expertise in specific functional areas and the names of the companies in which they hold directorships are provided below:

**MR. NAND KISHORE GARG**, 64 years, M.Sc. LLB, D.Lit. is promoter Non- Executive Chairman and the founder of the company.

His 39 years of enrich experience in the field of Chemical and Petroleum Products helps in the financial and strategic decision making leading the company to reach the new heights. He is also very active in field of education.

He is also on the Board of Bharat Prakashan (Delhi) Limited, Triveni Bhoomi Vikas Pvt. Ltd. and Maharaja Agrasen Academy Pvt. Ltd.

**MR. BRIJ BEHARI TANDON**, 71 years holds Masters Degree in Economics and LLB from the University of Delhi. He has also obtained Associate certificate from Indian Institute of Bankers in respect of subjects of co-operation and Industrial finance. He is Independent & Non- Executive Director of the company.

He was the member of Indian Administrative Service from 1965 to 2001. He has also served on the senior level positions in the Government of India like Secretary etc. He also has been member of Securities and Exchange Board of India (SEBI). He has also been the Chief Election Commissioner of India. He has considerable management experience in the fields of Economics, Company Law, Co-operation and Industrial finance. The company is enlightened by his corporate and legal experience helping in the compliance with the regulation applicable on the company.

He is also on the Board of Ambience Pvt. Ltd., Adani Power Ltd, ACB (India) Ltd., Bhushan Steel Ltd, Birla Corporation Ltd, Dhampur Sugar Mills Ltd, Exicom Tele-Systems Ltd., Filatex India Ltd., Jaiprakash Power Ventures Ltd., Jaypee Infratech Ltd., Lanco Anapara Power Ltd., Oriental Carbon & Chemicals Ltd., Precision Pipes & Profiles Ltd. and VLS Finance Ltd. and Schrader Ducan Limited He is also associated with Ambuja Cement Foundation, Trustee in JVPL Trust and member of advisory Board of Price Water House Coopers Limited (India).

He is the Chairman of Remuneration Committee.

**MR. PRADIP KUMAR BANERJI**, 70 years is a post graduate in economics from Lucknow University. He is an Independent & Non-Executive Director of the company.

He was the member of Indian Administrative Service, 1966 batch, West Bengal. He has also served on the senior level position in the Government of India like Finance Secretary and State Governments like Secretary to the Governor of West Bengal. He has gained rich experience in the field of Finance, Industry, Foreign Trade, Foreign Investment while his association with the World Bank, Asian Development Bank, IFC, European Union, ICAO etc. The Company is benefitted by his Global connections and financial analytical capability, which includes feasibility study for the new project.

He has also been awarded Padma Shri in 1972 for his outstanding public service. Also he has been awarded Medal of Honor by the Soviet Chamber of Commerce and Industry in 1984.

He is also on the Board of GTFS Multi Services Limited.

He is the Chairman of the Risk Management Committee and member of Remuneration Committee.

**MR. JAGDISH CAPOOR**, 73 years holds Masters Degree in Commerce from Agra and is a Fellow member of the Indian Institute of Banking and Finance. He is an Independent & Non-Executive Director of the company.

He has vast experience of over 45 years. He has formerly been a Deputy Governor of RBI and has also been a member on the boards of several banks, e.g. Bank of Baroda, State Bank of India, National Housing Bank, NABARD, Exim Bank, and HDFC Bank (as Chairman), and also on the board of Bombay Stock Exchange (BSE).

He is also on the boards of Indian Hotel Co. Ltd, LIC Pension Fund Ltd, LICHL Trustee Co. Pvt. Ltd., Entegra Limited, Alankit Assignments Limited, Atlas Documentary Facilitators Company Pvt. Ltd., Asset Care & Reconstruction Enterprise Ltd., Quantum Trustee Co. Pvt. Ltd., Mannapuram Gen Finance & Leasing Ltd, Banyan Tree Bank limited, LIC Housing Finance Limited. He is also associated with Indian Institute of Management, Indore as a member of Board of Governor.

**MR. SUMER CHAND TAYAL**, 67 years is a Civil Engineers and an Independent & Non- Executive Director of the Company and a Civil Engineer.

He during his association with Delhi Development Authority has gained rich experience in Materials Management for executing various construction /Development Projects. He is on the board of the company since 2006 and is advising the company on various projects under real estate Segment and plays a major role toward execution of new projects of the Company.

He also holds directorship in Moonlite Footcare Pvt. Ltd.

He is the Chairman of Shareholder Grievance Committee and Equity Warrant Committee and the member of Audit Committee.

**MR. PURUSHOTTAM DASS BHOOT**, 83 years is Law Graduate and Company Secretary is Independent & Non-Executive Director of the company.

He has a vast experience in handling legal and secretarial assignments during his association with Bazaloni Groups Ltd. He is providing a valuable support in Legal and Secretarial matters of the Company since 1994

He is also on the board of Jindal India Ltd. and Bhatkawa Tea Industries Ltd.

He is the member of the Audit Committee of the Company.

**MR. NARENDER KUMAR GARG**, 62 years holds Masters Degree in Political Science and History and an Independent & Non- Executive Director of the Company.

He has served on the Board of Super Bazaar (The Cooperative Store Ltd), New Delhi and Chairman of Disciplinary Committee of Super Bazaar. He was also the member of Azadpur Mandi Committee, Delhi Government. Addition to that he was appointed as an arbitrator with the Registrar of Corporative Societies, Delhi Government.

He is a Managing Director of ISG Securities and Finance Pvt. Ltd. an NBFC and Director of JBG Indraprastha Developers Pvt. Ltd. possesses vast experience in the field of Finance, Legal and Marketing. The company is enlightened by his rich and vast experience in its financial and legal decision making.

He is the Chairman of Audit Committee, Equity Warrant Committee and Compensation Committee and member of the Shareholder Grievance Committee, Risk Management Committee, Executive Committee and Remuneration Committee.

**MR. VIVEK GARG**, 37 years is a Commerce Graduate and Promoter-Executive and Whole-Time Director of the company.

He has in-depth knowledge of the business of the company and contributes for the overall working of the company with his 14 years of rich experience. He is supervising the operation of the company pertaining to the Real Estate, Logistics, Administration and Purchase Segments.

He also hold directorship in Triveni Bhoomi Vikas Pvt. Ltd., Maharaja Agrasen Academy Pvt. Ltd., A.G. Agrotech & Power Pvt. Ltd.

He is a member of Shareholders Grievance Committee, Equity Warrant Committee and Executive Committee.

**MR. VIKAS GARG**, 39 years is a Commerce Graduate from Delhi University and Promoter-Executive and Managing Director of the company.

He holds the directorship in the Company since 1992-93 and has rich experience of more than 16 years in the line of plastics and chemicals. He spearheaded the Group's diversification into plastics and chemicals and has been instrumental in getting distributorship rights from various global giants. He looks after overall business of the company. He has been instrumental in set up plant for the production of Tin Mate - (Methyl Tin Mercaptide) and Add Flex (Epoxidised Soya Bean Oil), the first manufacturing facility in India through transfer of technology from reputed Foreign Companies.

He heads the company and provides strategic direction and guidance to all the activities of the company. Under his leadership, company has shown consistent business growth and profitability. In addition, he continues to shoulder several other corporate responsibilities and playing a major role in the Company.

He also holds directorship in Vikas Polymerland Pvt. Ltd.

He is the Chairman of the Executive Committee and member of Risk Management Committee, Compensation Committee and Remuneration Committee.

#### **MEETINGS OF THE BOARD**

The Board of Directors meets regularly to review strategic, operational and financial matters of the Company and has a formal schedule of matters reserved for its decision. It approves the interim and preliminary financial statements, the annual financial plan, significant contracts and capital investment along with strategic decisions like restructuring of business etc. wherever appropriate the Board delegates its authority to Committees of

Directors like: Audit Committee, Shareholders Grievance Committee, Risk Management committee, Remuneration Committee and Equity Warrant Committee. Information is provided to the Board in advance of every meeting.

During the Financial Year 2011-12, 4 (Four) Board meetings were held. The maximum gap between two Board Meetings was less than four months ensuring compliance with Clause 49 of the Listing Agreement of Stock Exchanges and the Companies Act, 1956. Below mentioned table specifies the dates on which the board meetings were held:

**DETAILS OF BOARD MEETINGS**

S. No.	Date of Board Meeting
	(During the financial year 2011-12)
1	5th May, 2011
2	10th August, 2011
3	17th October, 2011
4	11th February, 2012

Following are the details of attendance of Directors at the aforesaid Board Meetings held during the financial year 11-12.

Name of Directors	No. of Board meetings held during the tenure of the directors	No. of Board meetings attended
Nand Kishore Garg	4	4
Purushottam Dass Bhoot	4	1
Brij Behari Tandon	4	4
Pradip Kumar Banerji	4	3
Jagdish Capoor	3	2
Sumer Chand Tayal	4	4
Narender Kumar Garg	2	2
Vikas Garg	4	4
Vivek Garg	4	2

**BOARD LEVEL COMMITTEES**

**I. AUDIT COMMITTEE**

The audit committee has been mandated with the same terms of reference as specified in Clause 49 II of the Listing Agreement with the Stock Exchanges. The present terms of reference also fully conform to the requirement of Section 292A of the Companies Act, 1956.

The Audit committee reviews with the management and also with the statutory and internal auditors, all aspects of the financial results, effectiveness of internal audit/processes, taxation matters and other key areas. The Audit Committee also recommends the appointment and remuneration of the Internal Auditors and Statutory Auditors to the Board, considering their independence and effectiveness.

The Composition, Category record during the year is as under:

S.No.	Name of the Members	Designation	Category
1	Narender Kumar Garg	Director	Chairman
2	Sumer Chand Tayal	Director	Member
3	Purushottam Dass Bhoot	Director	Member

Ms. Jyoti Somani, Company Secretary acts as the secretary to the committee.

The scope of activities of Audit Committee includes the following:

- Committee must meet at least once in every quarter or more often if warranted and invite members of management or other required persons to attend the meeting for obtaining significant information from them.
- Ensure the prudence of external auditor and neutrality of internal auditor.
- Evaluation on regular basis the adequacy of internal audit function to ensure the complete coverage of audit, reduction of redundant efforts and effective utilization of audit resources.
- Review Company's accounting policies, internal accounting controls, financial and risk management policies and such other matters as the committee deems appropriate.
- Review Company's compliance with prescribed and applicable accounting standards.
- Validate related party transactions.
- Validate compliance with disclosure requirements.
- Review and validate Directors report's financial aspects.
- Analyze with independent auditor the effectiveness and completeness of internal controls which includes the IT systems and security.
- Discussion with independent auditor and internal auditor regarding
  - Any substantial findings during the year including the status of previous recommendations.
  - Significant internal control weaknesses found by auditors
  - Any adversity faced by the auditor's during their work including restriction on scope of activities and access to information.
  - Any modification in the scope of pre-decided internal audit plan.
- Regular reporting to board of directors on significant findings and ongoing activities.
- Obtaining regular updation from management on status of risk identification and its management.
- Based on above cast a view on the systems and processes related with accounting and financials.

As required in terms of the Listing Agreement of Stock Exchanges, the Audit Committee has reviewed the following information:

- Management Discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions submitted by the management.
- Internal Audit Reports
- Appointment, removal and terms of remuneration of the internal auditors.

## II. SHAREHOLDER GRIEVANCE COMMITTEE

The Board has constituted Shareholder Grievance Committee. The Committee expedites the process of redressal of shareholders complaints like non-transfer of shares, non-receipt of balance sheet, non-receipt of any dividend etc. The committee meets at such intervals as may be deemed fit keeping in view the quantum of transactions received during the period.

The Composition record during the year is as under:

S. No.	Name of the Members	Designation	Category
1	Sumer Chand Tayal	Director	Chairman
2	Vivek Garg	Director	Member
3	Narender Kumar Garg	Director	Member

The Company addresses all complaints and grievances expeditiously and replies are sent/ issues resolved usually within fifteen days, unless there is a dispute or other legal constraints.

The Shareholders Grievance Committee reviews summary of complaints received and appropriate action is taken promptly.

Ms. Jyoti Somani, Company Secretary acts as the secretary to the Committee.

The scope of activities of Shareholders Grievance Committee includes the following:

- Orchestrate efficacious system in consonance with statutory guidelines to ensure speedy disposal of requests/ grievance received from shareholders.
- Oversight over the redressal of shareholders and investor complaints e.g. transfer of shares, non receipt of balance sheet, non receipt of declared dividend etc.
- Dwell in greater depth on the issues of investors' complaints and grievances.
- Analytical and comprehensive review of the reports submitted by Registrars & Share Transfer agents of the Company,
- Review the company report on the functioning of said investor grievances redressal machinery.
- Follow up implementations of suggestions for improvement.
- Authorize Issue of duplicate certificates in place of original certificate.
- Approve and effect transmission of shares arising as a result of death of the sole/ anyone joint shareholder.
- Regular review of statutory guidelines, quality and best in class practices of the grievance redressal system to ensure its continuing efficacy and thereby enhancing shareholders' satisfaction.
- Periodically report to Board about serious concerns, if any.

Status of Investor Complaints as on March 31, 2012 and reported under Clause 41 of the Listing Agreement are as under:

Complaints as on April 1, 2011	:	Nil
Received during the year	:	Nil
Resolved during the year	:	Nil
Pending as on March 31, 2012	:	Nil

Name, Designation and address of Compliance Officer:

Ms. Jyoti Somani,  
Company Secretary & Manager- Corporate Affairs  
Vikas House, 34/1, East Punjabi Bagh,  
New Delhi-110026

### III. RISK MANAGEMENT COMMITTEE

The Board has further constituted Risk Management Committee with the object to examine and supervise the management for all the risk that can affect the company's objectives, business, its sustainability and reputation. The Committee will also be responsible for spreading awareness about the possible risks and taking appropriate and timely steps to mitigate it. Risks include Credit risk, Market risk, Operational risk, Reputation risk and also Macro Economic risk.

The Composition record during the year is as under:

S. No.	Name of the Members	Designation	Category
1	Pradip Kumar Banerji	Director	Chairman
2	Narender Kumar Garg	Director	Member
3	Vikas Garg	Director	Member

The scope of activities of the Risk Management Committee is as under:

- Ensure that the identification and evaluation of key risks that threaten achievement of the company's objectives is carried out, and that a register of these risks is maintained.
- Monitoring and managing the credit risk, market risk, operational risk, macroeconomic risk and other risk of the company.
- Review and assess the quality, integrity and effectiveness of the risk management framework with a view to ensure that the risk policies and strategies are efficaciously and effectively operated.
- Ensure implementation of an effective ongoing process to identify risk, measure potential impact and activate what is necessary to pro-actively manage risks, and decide the company's appetite or tolerance for risk.
- Ensure that a systematic, documented assessment of the processes and outcomes surrounding key risks is undertaken periodically (at least annually) for the purpose of assessing the efficacy of risk management.
- Oversee formal reviews of activities associated with the effectiveness of risk management and internal control processes.
- Monitor external developments relating to the practice of corporate accountability and the reporting of specifically associated risk, including emerging and prospective impacts
- Report regularly to the Board and Audit committee on risk areas and measures to mitigate it.
- Contribute to raising awareness of risk across the company and to maintaining the profile of risk management.
- Address such other matters related to risk as may arise from time to time.

### IV. REMUNERATION COMMITTEE

The primary purpose of this committee would be to ensure that directors and executives are fairly rewarded for their individual contribution to company's performance without any personal interest and also keeping other stakeholders' as well as company's financial and commercial health intact. Committee shall also serve as party to monitor and strengthen the objectivity and credibility of directors and executives' remuneration system and also making recommendation to the board on remuneration package and policies applicable to directors.

The composition of committee during the year is as under:

S. No.	Name of the Members	Designation	Category
1	Brij Behari Tandon	Director	Chairman
2	Pradip Kumar Banerji	Director	Member
3	Narender Kumar Garg	Director	Member
4	Vikas Garg	Director	Member

The scope of the activities of Remuneration Committee includes the following:

- Determination of Company's policy on specific remuneration package for executive and non-executive directors including pension rights and compensation payment.
- Orchestrate the performance targets and deliverables of the positions for which the Remuneration Committee is authorized to set remuneration and correlate with the delivered performance.
- Monitor and review the compensation (including salaries and salary adjustments, incentives/benefits bonuses, stock options, deferred compensations) periodically.
- Review and approve proposed terminal payments for those who directly report to the Managing Director and Chief Executive Officer.
- Review and recommend to the Board any changes in remuneration policy required, if any.

#### V. EQUITY WARRANT COMMITTEE

The Equity Warrant Committee has been constituted for the purpose of better corporate governance and for smooth operations of conversion of equity convertible warrants.

The composition of committee during the year is as under:

S. No.	Name of the Members	Designation	Category
1	Narender Kumar Garg	Director	Chairman
2	Sumer Chand Tayal	Director	Member
3	Vivek Garg	Director	Member

The quorum for a meeting of Equity Warrant Committee, duly convened and held, shall be one third of the total number of members or two members, whichever shall be higher.

The Equity Warrant Committee will be authorized to convert the convertible warrants, issue and allot resultant equity shares, subject to such conditions or modifications that may be imposed, required or suggested by the Securities & Exchange Board of India (the SEBI), Stock Exchange(s) or other authorities and to settle all questions or difficulties that may arise with regard to the aforesaid in such manner as it may determine in its absolute discretion and to take such steps and to do all such acts, deeds, matters and things as may be required, necessary, proper or expedient.

#### VI. COMPENSATION COMMITTEE

The Board constituted Compensation Committee in order to comply with the provisions of Clause 49 of the Listing Agreement. The role of the compensation committee is to set appropriate and supportable pay programs that are in the organization's best interests and aligned with its business mission and strategy.

The composition of committee during the year is as under:

S. No.	Name of the Members	Designation	Category
1	Narender Kumar Garg	Director	Chairman
2	Sumer Chand Tayal	Director	Member
3	Vikas Garg	Director	Member

The scope of the activities of Remuneration Committee includes the following:

- Determine compensation policy
- Determine CEO compensation including salary, incentive and equity based awards.
- Compensation for elected officers and directors.
- Annual performance evaluation

#### VII. EXECUTIVE COMMITTEE

The Board constituted the Executive Committee and is empowered to make and implement major organizational decisions. The executive committee acts as an overseer of organizational activities and has the authority to request justification of certain matters as well as to plan activities.

The composition of Executive Committee during the year is as under:

S. No.	Name of the Members	Designation	Category
1	Vikas Garg	Director	Chairman
2	Narender Kumar Garg	Director	Member
3	Vivek Garg	Director	Member

The scope of the activities of Remuneration Committee includes the following:

- To exercise all of the powers and authority of the Board of Directors to the management of the business and affairs of the Company, subject to applicable laws, in the interim between meetings of the Board of Directors;
- To take decisions with regard to the following:
  - Major short term operations, and cash and banking operations related to the Company
  - In its responsibility for the daily management of the Company, the Executive Committee takes decisions for major engagements and commitments, not reserved for the Board.
- To authorize Directors and / or officials of the Company to execute agreements, deeds, documents and writings as may be required time to time for the purpose of executing various business transactions, and to do and perform all such acts, deeds, matters and things as may be necessary.
- To exercise all or part of daily management of the Company and supervision of subsidiaries and companies linked to the Group;

#### CODE OF CONDUCT

Commitment to ethical professional conduct is a must for every employee, including Board members and senior Management, of VGL. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code of Conduct states that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline.

The Code of Conduct is available on the website of the company [www.vikasglobal.in](http://www.vikasglobal.in). All Board members and senior Management personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Chief Executive Officer (CEO) to this effect is enclosed at the end of this report.

**DISCLOSURES**

- **Details on materially significant related party transactions**

There are no materially significant related party transactions during the year that have potential conflict with the interests of the Company at large. Other related party transactions are given in the Schedules annexed to and forming part of the accounts for the year ended March 31, 2012.

- **Disclosure of Accounting Standards in preparation of financial statements**

The Company has followed the Accounting Standards as prescribed by the Institute of Chartered Accountants of India in preparation of financial statements.

- **Details of non compliance by the Company, penalties, strictures, imposed on the Company by the Stock Exchange or SEBI**

The Company has complied with the requirements of listing agreements of Stock Exchanges. Consequently, no non-compliance or penalties imposed on your company by Stock Exchanges or SEBI or any statutory authority or any matter related to capital markets during the year.

- **Whistle Blower Policy**

Your Company has adopted a Whistle Blower Policy which is permanently posted on the Company's intranet. All issues raised under the Whistle Blower Policy are directly reported to the Chairman of the Company's Audit Committee and no personnel has been denied access to the Audit Committee.

- The Company has complied with all the mandatory requirements and most of the non-mandatory requirements specified in the revised Clause 49 of the Listing Agreement.

**SECRETARIALAUDIT**

- Pursuant to clause 47 (c) of the Listing Agreement compliance certificates on half yearly basis have been issued by Company Secretary in practice for due compliance of share transfer formalities by the Company.

- A qualified practicing Company Secretary carried out the Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital.

**MEANS OF COMMUNICATION****Half Yearly & Quarterly Results**

The Company regularly intimates the Stock Exchanges regarding the Audited Financial Results as well as the Unaudited Results for every quarter of the Company. The results of the Company are published in one English and one Hindi newspaper as per the requirement of Clause 32 the Listing Agreement with the Stock Exchanges.

**Annual Report**

Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto.

**GENERAL INFORMATION FOR MEMBERS**

**Annual General Meetings Details**

Date	27th September 2012
Venue	Haryana Maitri Bhawan, Pitampura, New Delhi - 110034
Time	11:30 A.M
Book Closure Dates	21st September 2012 to 27th September 2012
Dividend Payment Date	On or after 27th September 2012

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report forms part of the Reports of Board of Directors

**REGISTRARS & SHARE TRANSFER AGENT (RTA)**

Alankit Assignments Limited  
Alankit House, 2E/21, Jhandewalan Extension,  
New Delhi-110055

**ADDRESS FOR CORRESPONDENCE**

1. Company Secretary  
Vikas GlobalOne Limited  
Vikas House, 34/1, East Punjabi Bagh, New Delhi-110026
2. Registrar & Share Transfer Agent  
Alankit Assignments Limited,  
2E/21, Jhandewalan Extension, New Delhi-110055

**COMPLIANCE OFFICER**

Ms. Jyoti Somani, Company Secretary, is the Compliance Officer under Clause 47 of the Listing Agreement with Stock Exchange.

**DEMATERIALIZATION OF SHARES AND LIQUIDITY**

The Shares of the Company are required to be traded in dematerialized form and are available for trading under both the Depository Systems in India- NSDL and CDSL. The International Securities Identification Number (ISIN) allotted to the Company's Share under Depository System is INE806A01012. The annual custody fee for the financial year 2012-13 has been paid to NSDL and CDSL, the Depositories.

In the Company, 73.21% (percent) of shares of the Company have been dematerialized as on 31st March, 2012.

**LISTING OF SHARES ON STOCK EXCHANGES**

National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra -Kurla Complex, Bandra (E), Mumbai- 51.

Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001

The Delhi Stock Exchange Association Limited, DSE House, 3/1, Asaf Ali Road, New Delhi-110 002

**STOCK EXCHANGE CODE**

ISIN NO: INE806A01012

National Stock Exchange of India Limited: VIKASGLOB

The Bombay Stock Exchange limited: 530961

**FINANCIAL CALENDAR**

Financial Year 2011-2012	
First Quarter Results	June, 2011
Second Quarter and Half-Year Results	September, 2011
Third Quarter Results	December, 2011
Fourth Quarter and Annual Results	March, 2012

**GENERAL BODY MEETINGS**

Details of last three Annual General Meetings were held at:

Financial year Date	Time	Venue
Tuesday, the 25th August, 2009	11:30 A.M.	Haryana Maitri Bhawan, Pitampura, New Delhi
Saturday, the 28th August, 2010	11:30 A.M.	Haryana Maitri Bhawan, Pitampura, New Delhi
Wednesday, the 28th September, 2011	11:30 A.M.	Haryana Maitri Bhawan, Pitampura, New Delhi

The following Special Resolutions were passed in the last Annual General Meeting:

- (I) Approval of the ESOS (Employee Stock Option Scheme) 2011.

**DEPOSITORY SERVICES**

Shareholders may write to our RTA or to their respective Depositories for guidance on depository services.

**ADDRESS FOR CORRESPONDENCE WITH DEPOSITORY**

**NATIONAL SECURITIES DEPOSITORY LIMITED**

Trade world, "A" Wing, 4th floor, Kamala Mills Compound

Senapati Bapat Marg, Lower Parel, Mumbai 400 013

Telephone: 022-24994200, Facsimile: 022-24976351, E-mail: info@nsdl.co.in, Website: www.nsdl.co.in

**CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED**

Phiroze Jeejeebhoy Towers

17th floor, Dalal Street, Mumbai 400 001

Telephone: 022-22723333, Facsimile: 022-22723199/2072, E-mail: investor@cdslindia.com,

Website: www.cdslindia.com

**SHARE TRANSFER SYSTEM**

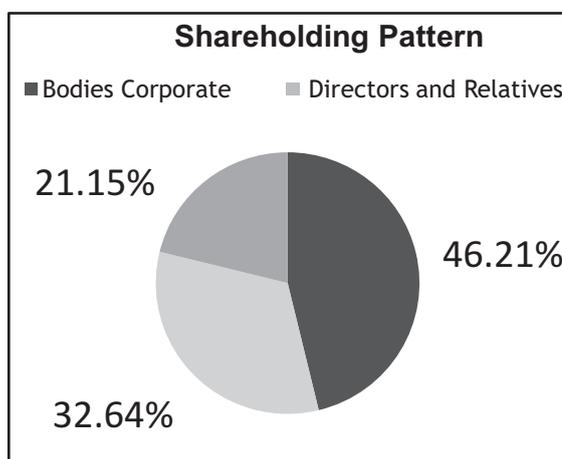
Shares lodged with the Registrar's office are usually processed within 15 days from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of securities are processed and confirmed within 15 days.

**DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2012**

Shareholding of nominal value			Share/Debenture holders		Share/ Debenture Holding	
In Rs.			Number	%age	Shares	%age
1	To	5000	713	76.09	942280	0.92
5001	To	10000	69	7.36	581640	0.56
10001	To	20000	28	2.99	591050	0.47
20001	To	30000	18	1.92	309550	0.45
30001	To	40000	7	0.75	206570	0.26
40001	To	50000	10	1.07	365610	0.47
50001	To	100000	16	1.71	1208740	1.13
100001	To	Above	76	8.11	96833930	95.74
<b>Total</b>			<b>937</b>	<b>100.00</b>	<b>101039370</b>	<b>100.00</b>

**SHAREHOLDING PATTERN AS ON 31st MARCH, 2012**

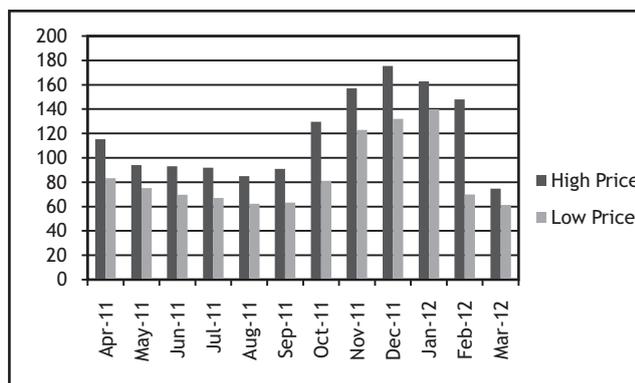
Category	Number of Shares	Percentage of Holding
<b>(A) PROMOTERS</b>		
Directors and Relatives	3297488	32.64
Bodies Corporate	1032963	10.22
<b>Total (A)</b>	<b>4330451</b>	<b>42.86</b>
<b>(B) PUBLIC SHAREHOLDING</b>		
Bodies Corporate	3636622	35.99
Individuals/HUF/NRI's	2136864	21.15
<b>Total (B)</b>	<b>5773486</b>	<b>57.14</b>
<b>Grand Total (A+B)</b>	<b>10103937</b>	<b>100.00</b>



**STOCK MARKET DATA**

The stock market data for the year are as follows:

Month	High Price	Low Price
April 2011	115.20	83.35
May 2011	94.00	75.10
June 2011	93.00	69.65
July 2011	92.00	67.00
August 2011	84.95	62.20
September 2011	90.95	63.25
October 2011	129.50	81.20
November 2011	157.00	123.00
December 2011	175.50	132.00
January 2012	162.85	139.75
February 2012	148.00	69.90
March 2012	74.70	61.30



**ANNEXURE TO THE REPORT OF THE DIRECTORS**

**CERTIFICATE OF COMPLIANCE FROM AUDITOR AS STIPULATED UNDER CLAUSE 49 OF THE LISTING AGREEMENT OF THE STOCK EXCHANGES IN INDIA**

**To the members of VIKAS GLOBALONE LIMITED**

We have examined the compliance of conditions of Corporate Governance by Vikas GlobalOne Limited (the Company) for the year ended 31<sup>st</sup> March, 2012, as stipulated Clause 49 of the Listing agreement of the Company with the Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the abovementioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the company.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M/s RSPH & Associates**

**Tarun Batra  
Partner  
Membership No. 94318**

Place : New Delhi  
Dated : 14<sup>th</sup> August 2012

## DECLARATION BY THE CHIEF EXECUTIVE OFFICER UNDER CLAUSE 49 OF THE LISTING AGREEMENT

I, Vikas Garg, Managing Director, of Vikas GlobalOne Limited, to the best of our knowledge and belief certify that:

1. I have reviewed the Balance Sheet and Profit and Loss Account of the Company for the year ended 31st March, 2012 and its entire schedule and notes on accounts, as well as the Cash Flow Statement.
2. To the best of our knowledge and information:
  - a. These statements do not contain any materially untrue statement or omit to state a material fact or contains statement that might be misleading;
  - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the company, which are fraudulent, illegal or violate the company's code of conduct.
4. The company's other certifying officers and we are responsible for establishing and maintaining internal controls for financial reporting and procedures for the Company, and we have evaluated the effectiveness of the Company's internal controls and procedures pertaining to financial reporting.
5. The Company's other certifying officers and we have disclosed, based on our most recent evaluation, wherever applicable, to the Company's auditors and through them to the Audit Committee of the Company's Board of Directors:
  - a. All significant deficiencies in the design or operation of internal controls, which we are aware and have taken steps to rectify these deficiencies;
  - b. Significant changes in internal control over financial reporting during the year;
  - c. Any fraud, which we have become aware of and that involves Management or other employees who have a significant role in the Company's internal control systems over financial reporting;
  - d. Significant changes in accounting policies during the year.

We further declare that all board members and senior Management have affirmed compliance with the code of conduct for the current year.

For Vikas GlobalOne Limited

Vikas Garg  
Managing Director

Place: New Delhi  
Date: 14<sup>th</sup> August 2012

**AUDITORS' REPORT**

To the Members of M/s Vikas Globalone Limited

1. We have audited the attached Balance Sheet of M/s Vikas Globalone Limited as at 31st March, 2012 and the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments, we report that:-
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
  - (c) The Balance Sheet, Profit Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards, referred in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (e) On the basis of the written representations received for the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - In so far as it relates to Balance Sheet, of the state of affairs of the company as at 31st March, 2012;
    - In so far as it relates to the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
    - In so far as it relates to the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

For R S P H & Associates  
(Chartered Accountants)  
Firm Reg. No 003013N

Tarun Kumar Batra  
FCA, M No 094318  
(Partner)

Place : Delhi  
Date: 14.08.2012

**ANNEXURE TO THE AUDITORS' REPORT AS REFERRED TO IN PARA I OF THE SAID REPORT OF EVEN DATE**

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
2. The fixed assets have been physically verified by the management at all location at reasonable intervals. No material discrepancies between book records and the physical inventories have been noticed on such verifications.
3. The Inventories has been physically verified at reasonable intervals by the management. In our opinion and according to information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. On the basis of examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on such physical verification of inventory as compared to book records were not material which have been properly dealt with.
4. In respect of Loans, secured or unsecured, granted or taken by the company to / from companies, firms or other parties required to be listed in the register maintained under section 301 of the Companies Act'1956
  - The company has taken unsecured loans from one parties covered in the Register maintained under section 301 of the Companies Act, 1956.
  - The Company has not granted any unsecured from parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence Clause 3(a) to 3(c) are not applicable
  - In our opinion and according to information and explanation given to us, the rate of interest and terms and conditions are not prime-facie prejudicial to the interest of the company.
  - In respect of loans taken by the company, the loans are repayable on demand and therefore the question of overdue amount does not arise.
5. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate in the size of the company and the nature of its business for purchase of inventory and fixed assets and on the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls. We have not observed any failure on the part of the Company to correct major weakness in internal control.
6. (a) Based on audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transaction that needs to be entered into the register maintained under section 301 of Companies Act, 1956 have been so entered.  
 (b) According to information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at relevant time.
7. In our opinion and according to information and explanations given to us, the company has not accepted any public deposit during the year under consideration. Otherwise the Company has complied with the provisions of sections 58A and 58AA of the Company, 1956 and rules framed there under. We have been informed that no order has been passed by the Company Law Board or national company law tribunal or Reserve Bank of India or any court or any Tribunal in this regard.
8. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of subsection (1) of Section 209 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

9. In our opinion the company has an internal audit system commensurate with the size and nature of its business.
10. According to information and explanations given to us the company is depositing with appropriate authorities, undisputed statutory dues including provident fund , investor education fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, Cess and other statutory dues to the extent applicable to it. There are no undisputed demands in respects of income tax, sales tax, service tax, excise duty, cess and other statutory dues payable for a period of more than six months from the date they become payable as at 31st March'2012 except a Vat Disputed amount of Rs 0.88 Lacs and VAT Disputed demand of Rs 90.66 Lacs for 2011-2012 for which appeal is pending before Special Commissioner, Department of Trade and Taxes and Custom Duty disputed of Rs 5.33 Lacs and Income Tax demand of Rs 31.44 Lacs in the case of Vikas Utilities Private Limited which was merged with Vikas Globalone Limited on amalgamation. Delay has been observed in deposit of the Service Tax, TDS, ESI and PF with respective authorities during the year under consideration.
11. Based on the audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institution, bank or debenture holder.
12. Based on our examination of the records and evaluations of the related internal controls, we are of the opinion that there is no such transaction and contracts relating to shares, securities and other investment dealt in by the company in relation to which proper records are required to be maintained.
13. The company has not given any guarantee for loans taken by others from banks or financial institutions, the terms and conditions thereof are not prima facie prejudicial to the interest of the company.
14. Term loan taken by the company has been utilized for the purpose for which it has been taken.
15. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the company we report that the company has not utilized funds raised on short- term basis for long-term investment.
16. The company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
17. The Company does not have accumulated losses as at the end of financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
18. According to the information and explanation given to us, the Company has not granted any loans/ advances on the basis of security by way of pledge of shares, debentures and other securities.
19. Clause 4(xiii) of the Order is not applicable to the Company as the Company is not a chit fund or a Nidhi / mutual benefit fund/ society.
20. On the basis of the records made available to us, the Company has no debentures outstanding during the year.
21. The Company has not raised any money through public issue during the year.
22. During the course of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India, we have neither come across any material instance of fraud on or by the Company, noticed or reported during the year nor we have been informed of such a case by the management.
23. Other clauses of the Order are not applicable to the Company.

For R S P H & Associates  
(Chartered Accountants)  
Firm Reg. No 003013N

Tarun Kumar Batra  
FCA, M No 094318  
(Partner)

Place : Delhi  
Date:14.08.2012

BALANCE SHEET AS AT 31ST MARCH 2012

₹ in rupees

PARTICULARS	Note No.	As at 31st March 2012	As at 31st March 2011
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
Share Capital	2	10,10,39,370	10,10,39,370
Reserves and Surplus	3	23,93,30,274	15,79,90,847
		<b>34,03,69,644</b>	<b>25,90,30,217</b>
<b>Non-current liabilities</b>			
Long-term borrowings	4	2,28,46,092	3,55,79,835
Deferred tax liabilities (Net)	5	28,63,463	19,98,158
		<b>2,57,09,555</b>	<b>3,75,77,993</b>
<b>Current liabilities</b>			
Short-term borrowings	8	21,95,51,911	20,08,67,561
Trade payables	9	13,70,26,662	11,63,29,598
Other current liabilities	10	8,04,13,717	1,89,89,872
Short-term provisions	7	63,32,475	1,75,34,167
		<b>44,33,24,765</b>	<b>35,37,21,198</b>
<b>TOTAL</b>		<b>80,94,03,964</b>	<b>65,03,29,408</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	11	17,86,68,239	12,14,40,080
Intangible assets		17,52,878	-
<b>Non-current investments</b>			
Long-term loans and advances	12	6,96,04,750	7,25,24,321
	13	43,50,018	77,02,946
		<b>25,43,75,885</b>	<b>20,16,67,347</b>
<b>Current assets</b>			
Inventories	14	18,32,63,554	10,96,62,620
Trade receivables	15	26,36,46,503	21,23,73,960
Cash and cash equivalents	16	29,10,451	11,91,585
Short-term loans and advances	13	10,50,83,695	12,50,42,235
Other current assets	17	1,23,876	3,91,661
		<b>55,50,28,079</b>	<b>44,86,62,061</b>
<b>TOTAL</b>		<b>80,94,03,964</b>	<b>65,03,29,408</b>

The Notes referred above form an integral part of the Accounts Audit Report as on even date attached

For and on behalf of the Board

R S P H AND ASSOCIATES  
Chartered Accountants (FRN:003013N)

Vikas Garg  
(Managing Director)

Nand Kishore Garg  
(Chairman)

Tarun Kumar Batra  
Partner (Membership No: 094318) (Company Secretary & Manager -Corporate Affairs)

Jyoti Somani

Sumer Chand Tayal  
(Director)

Place: New Delhi  
Date: 14<sup>th</sup> August 2012

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED ON 31ST MARCH 2012 ₹ in rupees

PARTICULARS	Note No.	For the period ended on 31st March 2012	For the period ended on 31st March 2011
<b>Revenue</b>			
Revenue from operations	18	1,14,07,10,651	1,00,50,05,265
Less: Excise duty		(3,60,80,810)	(2,20,07,170)
<b>Net Sales</b>		<b>1,10,46,29,841</b>	<b>98,29,98,095</b>
Other income	19	4,39,64,852	1,37,92,386
<b>Total Revenue</b>		<b>1,14,85,94,693</b>	<b>99,67,90,481</b>
<b>Expenses</b>			
Cost of material Consumed	20	35,76,80,188	18,16,14,216
Purchase of stock-in-trade	21	54,05,80,730	64,69,88,613
Changes in inventories	22	1,91,55,855	(1,01,42,522)
Employee benefit expenses	23	2,09,07,990	1,85,37,224
Finance costs	24	3,83,51,706	2,73,69,289
Depreciation and amortization expenses	25	1,58,55,015	84,57,782
Other expenses	26	9,21,52,872	8,15,70,161
<b>Total Expenses</b>		<b>1,08,46,84,356</b>	<b>95,43,94,763</b>
<b>Profit before exceptional, extraordinary and prior period items and tax</b>		<b>6,39,10,337</b>	<b>4,23,95,718</b>
Exceptional items		-	-
<b>Profit before extraordinary and prior period items and tax</b>		<b>6,39,10,337</b>	<b>4,23,95,718</b>
Extraordinary items		(5,84,293)	-
Prior period item		(3,539)	(43,846)
<b>Profit before tax</b>		<b>6,33,22,505</b>	<b>4,23,51,872</b>
<b>Tax expenses</b>			
Current tax		(4,60,950)	(6,50,000)
Deferred tax		(8,65,305)	(13,32,558)
Excess/short provision relating earlier year tax		5,62,809	2,72,929
<b>Profit(Loss) for the period from continuing operations</b>		<b>6,25,59,059</b>	<b>4,06,42,243</b>
Profit(Loss) from discontinuing operations		-	-
Tax expenses of discontinuing operations		-	-
<b>Profit(Loss) from discontinuing operations(after tax)</b>		<b>-</b>	<b>-</b>
<b>Profit(Loss) for the period</b>		<b>6,25,59,059</b>	<b>4,06,42,243</b>
Share earnings partnership firm		2,46,51,893	2,02,54,612
<b>Profit(Loss) for the period</b>		<b>8,72,10,952</b>	<b>6,08,96,855</b>
<b>Earnings per share</b>			
<b>Basic</b>			
<b>Diluted</b>			
Before extraordinary Items		8.63	7.73
After extraordinary Adjustment		8.63	7.73
<b>Adjustment average number shares</b>		<b>10103937</b>	<b>7872430</b>
<b>Average no. of shares for diluted EPS</b>		<b>10303937</b>	<b>7872430</b>

The Notes referred above form an integral part of the Accounts Audit Report as on even date attached

For and on behalf of the Board

R S P H AND ASSOCIATES  
Chartered Accountants (FRN:003013N)

Vikas Garg  
(Managing Director)

Nand Kishore Garg  
(Chairman)

Tarun Kumar Batra  
Partner(Membership No: 094318)

Jyoti Somani  
(Company Secretary & Manager -Corporate Affairs)

Sumer Chand Tayal  
(Director)

Place: New Delhi  
Date: 14<sup>th</sup> August 2012

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2012

₹ in rupees

PARTICULARS	For the period ended on 31st March 2012	For the period ended on 31st March 2011
<b>A. Cash flow from operating activities:</b>		
Net profit (loss) before tax and extraordinary items	6,39,06,798	4,23,51,872
Adjustments for :		
Depreciation	1,52,70,722	84,57,782
Amortization	5,84,293	-
Provision for income tax	5,62,809	2,72,929
Interest expenses	3,83,51,706	2,73,69,289
Interest on current investments	(14,58,838)	(6,11,991)
<b>Operating Profit (Loss) before working capital changes</b>	<b>11,72,17,490</b>	<b>7,78,39,881</b>
Adjustments for :		
(Increase)/Decrease in inventories	(7,36,00,934)	(1,66,65,660)
(Increase)/Decrease in trade receivables	(5,12,72,543)	(6,44,20,755)
(Increase)/Decrease in other current assets	2,67,785	2,73,145
(Increase)/Decrease in loans and advances	2,33,11,468	(8,96,39,636)
(Increase)/Decrease in trade payables	2,06,97,064	5,13,97,953
(Increase)/Decrease in other liabilities	6,14,23,845	(14,48,783)
(Increase)/Decrease in provisions	(1,12,01,692)	94,79,968
<b>Cash generated from operations</b>	<b>8,68,42,483</b>	<b>(3,31,83,887)</b>
Direct taxes (paid)/refunded	(4,60,950)	(6,50,000)
<b>Net cash flow from (used) in operating activities</b>	<b>8,63,81,533</b>	<b>(3,38,33,887)</b>
<b>B. Cash flow from investing activities :</b>		
Purchase of tangible fixed assets	(7,27,78,939)	(5,94,71,044)
Purchase of other investments	(1,893)	(4,77,86,412)
Sale of tangible fixed assets	2,80,058	36,29,313
Other interest received	14,58,838	6,11,991
Other investing activities, net	2,46,51,893	2,02,54,612
<b>Net cash flow from (used) in investing activities</b>	<b>(4,63,90,043)</b>	<b>(8,27,61,540)</b>
<b>C. Cash flow from financing activities :</b>		
Proceeds from issue of equity share capital	-	7,20,00,000
Proceeds from long-term borrowings	-	34,88,840
Proceeds from short-term borrowings	1,82,43,204	7,91,36,382
Repayments of long-term borrowings	(1,27,92,597)	-
Interest paid on bank borrowings	(3,83,51,706)	(2,73,69,289)
Dividend paid on equity shares	(50,51,969)	(1,01,03,937)
Dividend distribution tax paid on equity shares	(8,19,556)	(16,78,138)
<b>Net cash flow from (used) in financing activities</b>	<b>(3,87,72,624)</b>	<b>11,54,73,858</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>12,18,866</b>	<b>(11,21,569)</b>
Cash and Cash Equivalents at the beginning of the year	11,91,585	23,13,154
Cash and Cash Equivalents at the end of the year	24,10,451	11,91,585

The Notes referred above form an integral part of the Accounts Audit Report as on even date attached

For and on behalf of the Board

R S P H AND ASSOCIATES  
Chartered Accountants (FRN:003013N)

Vikas Garg  
(Managing Director)

Nand Kishore Garg  
(Chairman)

Tarun Kumar Batra  
Partner (Membership No: 094318)

Jyoti Somani  
(Company Secretary & Manager -Corporate Affairs)

Sumer Chand Tayal  
(Director)

Place: New Delhi  
Date: 14<sup>th</sup> August 2012

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

**NOTE 1: NOTES TO ACCOUNTS****1. BACKGROUND AND NATURE OF OPERATIONS**

Vikas GlobalOne Limited (VGL) is a Delhi based professionally managed company incorporated on 30th November, 1984 under the Companies Act, 1956, having its registered office at Vikas House, 34/1, East Punjabi Bagh, New Delhi-110026 and is actively engaged in the business of Manufacturing and Distribution of Specialty Polymers Compounds and Additives. The company is listed in National Stock Exchange of India, Bombay Stock Exchange and Delhi Stock Exchange.

The company is manufacturing high end products used in Agricultural Pipes, Auto Parts, Wires and Cables, Artificial Leather, Footwear, Organic Chemicals, Polymers, Pharmaceuticals and Packaging industries while alongside acting as distributor of global conglomerates with niche in specialty chemicals and polymers.

Manufacturing plants of the company are spread in various geographical locations across India, in the state of J&K and Rajasthan. This has been done keeping in mind the strategic and location advantages with regard to availability of raw material, tax incentives, subsidy grants as well as market potential for finished goods. These industrial units have speedy connectivity to Road, Rail and Air transport. The company has built the plants with the best of the machineries and technical knowhow available from the world's leading suppliers. The manufactured products of the company have been well received in the market and have further scope of greater development with increased production capacities. The products manufactured by the Company are environmental friendly.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(a) Basis of presentation**

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared as a going concern under the historical cost convention on an accrual basis. The accountings policies have been consistently applied by the Company are consistent with those used in the previous year.

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

**(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 is valued at lower of cost OR net realizable value.
- ii) Finished products are valued at lower of cost OR net realizable value. Cost being the weighted average material cost & includes cost of conversion & other cost incurred in bringing the goods to their present location & condition. Closing balance of finished stock are accounted for on the basis of physically verified quantities.

- iii) Packing Material, stores & spares parts are valued at lower of moving weighted average 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) Fixed assets, depreciation and amortization, 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'.

- Depreciation on fixed assets is computed using written down value method, as per the rates and as per the manner prescribed in Schedule XIV of the Companies Act, 1956.
- Depreciation on additions / deletions to fixed assets is provided on pro-rata basis from/till the date the asset is put to use / discarded. Individual assets costing less than Rs. 5,000 are fully depreciated in the year of purchase.

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.

**(e) 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.

**(f) 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.

**i) 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.

**ii) Interest**

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

**iii) Construction contract**

The company follows complete contract method of accounting in respect of its construction activity. Under this method, the profit on unit sold is recognized only when the work in respect of the relevant unit is completed or substantially completed which is determined on technical estimations and the underlying sale deed is executed.

**iv) 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.

**(g) 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.

**(h) 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.

**(i) 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.

**(j) 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.

**(k) Cash Flow Statement**

Cash Flows are reported using indirect method, whereby profit before tax is adjusted for effects 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.

**(l) Employees retirement benefits**

The Company's employee benefits primarily cover provident fund, gratuity and leave encashment.

Provident fund is defined contribution schemes and the Company has no further obligation beyond the contributions made to the fund. Contributions are charged to profit and loss account in the year in which it is due.

Leave encashment is paid as and when it becomes due to the employee.

**(m) 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 reasonable 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.

**(n) 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 resource will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

**(o) Foreign Currency Transactions:**

As stipulated in Accounting Standard 11, the effects of changes in foreign exchange rates, notified under the Companies (Accounting Standards) Rules, 2006, as amended.

**i). 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.

**ii). 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 are reported using the exchange rates that existed when the values were determined.

iii). 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.

3. COMMITMENTS

a. Capital commitment

There are no contracts remaining to be executed on capital account and not provided for as at 31 March, 2012.

b. Lease commitment

The Company has taken various premises on operating leases. The lease rental of Rs. 2,94,000/- (Previous year Rs. 2,94,000/-) has been charged to Profit and Loss Account for the year ended March 31, 2012. The underlying 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 subleases.

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

₹ in rupees

Minimum Lease Rentals	31st March 2012	31st March 2011
Within one year	2,94,000	2,94,000
Later than one year, not later than five years	--	2,94,000
Total	2,94,000	5,88,000

4. There is no significant event that has been taken place after the date of Balance Sheet.
5. There is a Contingent Liability in form of Bank Guarantee of Rs.14,12,200/- and Advance license for the Imported goods of Rs. 3,02,95,371/-

Details of pending cases are given below:-

₹ in rupees

Particulars	31st March 2012	31st March 2011
Disputed demands/ show-cause notices under :-		
a) Income Tax cases	31,44,000	31,44,000
b) Customs Duty cases	5,33,266	5,33,266
c) VAT	88,000	88,000
d) VAT (2011-2012) (Appeal pending Before Special Commissioner, Department of Trade and Taxes)	90,67,107	-

6. SEGMENTAL 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:

- i) Chemical Division  
ii) Real estate Division

The above business segments have been identified and reported considering:

- The nature of the services
- The related risk and returns
- The internal financial reporting systems

₹ in rupees

Minimum Lease Rentals	31st March 2012	31st March 2011
<b>Segment Revenue</b>		
Chemical Division	1,079,547,643	995,796,445
Real Estate Division	69,047,050	994,035
<b>Total</b>	<b>1,148,594,693</b>	<b>996,790,480</b>
<b>Segment Expenditure</b>		
Chemical Division	1,020,519,066	908,472,868
Real Estate Division	1,749,521	-
<b>Total</b>	<b>1,022,268,587</b>	<b>908,472,868</b>
<b>Segment Results</b>		
Chemical Division	59,028,576	87,323,577
Real Estate Division	67,297,528	994,035
	126,326,104	88,317,612
Less: Interest	38,351,706	25,847,194
<b>Profit before Tax</b>	<b>87,974,398</b>	<b>62,470,418</b>
<b>Capital Employed</b>		
Chemical Division	575,425,358	483,129,576
Real Estate Division	18,894,043	18,894,043
<b>Total</b>	<b>594,319,401</b>	<b>502,023,619</b>

The Company operates entirely in India and, accordingly, no disclosures are required under secondary segment reporting. 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.

7. 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 thereon has been given.
8. In the opinion of the Board of Directors of the Company, all Current Assets, Loans and Advances appearing in the balance sheet as at March 31, 2012 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.

9. In the opinion of the Board of Directors, no provision is required to be made against the recoverability of these balances except provided.

**10. EMPLOYEE BENEFITS OBLIGATION:-**

During year ended March 31, 2012 the Company has contributed Rs. 2,24,563/- to provident fund under defined contributions plan of Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

11. In the opinion of the Board of Directors, provision for diminution in the value of investment is Rs. Nil (Previous year Rs. NIL) required in current year towards diminution in value of Long Term Investments, where the decline in value is temporary in nature.

12. As per the best estimate of the management, no provision is required to be made as per Accounting Standard 29 (AS 29) Provisions, Contingent Liabilities and Contingent Assets as notified under the Companies (Accounting Standards) Rules, 2006, as amended, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

**13. PRIOR PERIOD ITEMS: -**

₹ in rupees

Description	31st March 2012	31st March 2011
<b>Expenses:-</b>		
Water Exp.	3539	--
Commission Exp.		10,709
Service Tax input w/o		23,190
Security Charges		51,692
<b>Total(A)</b>	<b>3539</b>	<b>85,591</b>
<b>Income:-</b>		
Commission Income		41,745
<b>Total(B)</b>	<b>--</b>	<b>41,745</b>
<b>Grand Total (A-B)</b>	<b>3539</b>	<b>43,846</b>

14. Disclosures 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
Subsidiary Company (100% share)	Moonlite Technochem Private Limited (Wholly Owned Subsidiary Company)
Associates	Sigma Plastic Industries (Partnership Firm) Vikas Polymer India (Partnership Firm)
Key Management Personnel	Mr. Vikas Garg (Managing Director) Mr. Vivek Garg (Whole Time Director)

₹ in rupees

Nature of Transaction	Subsidiary	Associates	KMP	Total
Sales	136,743,032	116,430,291		253,173,323
Purchase	22,469,589	10,856,000	--	33,325,589
Investment in shares	27,631,800	44,844,413	--	72,476,213
Rent Paid		1,094,000		1,094,000
Director Remuneration			360,000	360,000
Unsecured Loan		166,146	425,000	591,146
<b>TOTAL</b>	<b>186,844,421</b>	<b>173,390,851</b>	<b>785,000</b>	<b>361,020,272</b>

The above transactions were carried out during the year with related parties in the ordinary course of business:

In accordance with AS 18, disclosures in respect of transactions with identified related parties are given only for such period during which the relationship existed.

**15. EARNINGS PER SHARE:-**

Basic earnings per share is 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	31st March 2012	31st March 2011
Net Profit/(Loss) After Tax as per Profit and Loss Account (in Rs)	8,72,10,952	6,08,96,855
Weighted average no of shares outstanding during the year	10103937	7872430
Basic and diluted Earnings Per Share (in Rs)	8.63	7.73
Nominal value per Equity Share (in Rs)	10/-	10/-

**16. DEFERRED TAX:-**

In compliance with Accounting Standard 22 (AS 22) - Accounting for Taxes on Income, as notified under the Companies (Accounting Standards) Rules, 2006, as amended, the Company has recognized deferred tax liabilities (net) in the Profit and Loss Account of Rs. 8,65,305/- (Previous year Rs.13,32,558/-) during the year ended March 31, 2012.

The breakup of Deferred Tax Liabilities into major components as at March 31, 2012 is as under:

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Deferred Tax Liabilities</b>		
Arising on account of temporary differences due to:		
Excess of Book WDV of Fixed Assets over Tax WDV of Fixed Assets	28,63,463	19,98,158
<b>Total</b>	<b>28,63,463</b>	<b>19,98,158</b>

17. The Company has not entered into any foreign exchange derivative instruments during the year.

18. 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 Globalone Limited (formally known as Vikas Profin 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. 9,65,934/- arising out of amalgamation is shown under the head Capital reserve Account.

19. Additional information pursuant to the provision of paragraph 3, 4, 4A, 4B, 4C and 4D of Part II of Schedule VI of the Companies Act, 1956 to the extent applicable are as follows:-

- (a) Managerial remuneration ₹ in rupees

Particulars	31st March 2012	31st March 2011
Salaries	3,60,000	3,60,000
Employer's Contribution to Provident Fund	--	--
<b>TOTAL</b>	<b>3,60,000</b>	<b>3,60,000</b>

- (b) Auditors remuneration: Current Year      Previous Year  
 Audit Fees & Tax Audit 2,20,600/-      2,00,000/-

- (c) Expenses incurred in foreign currency during the year ended March 31, 2012 aggregates to:-

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Expenditures:-</b>		
Purchase	28,22,08,191/-	23,20,06,070/-
Foreign Travelling	5,10,185/-	7,51,433/-
<b>TOTAL</b>	<b>28,27,18,376/-</b>	<b>23,27,57,503/-</b>

- (d) CIF value of imports:

₹ in rupees

Particulars	31st March 2012	31st March 2011
Raw Material Purchased	28,22,08,191/-	23,20,06,070
Capital Goods(Including Spares)	--	12,81,684
<b>TOTAL</b>	<b>28,22,08,191/-</b>	<b>23,32,87,754</b>

- (e) FOB value of export made during the year included in the sales amounting Rs. 1,75,42,884/- (Previous Year: Rs. 17,08,560/-)

20. Previous year's figures have been regrouped, where necessary to confirm with current year's classification.

**NOTE NO. 2 SHARE CAPITAL**

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Authorized :</b>		
Authorized Share Capital	15,95,00,000	15,95,00,000
<b>Issued :</b>		
Issued Share Capital	10,10,39,370	10,10,39,370
<b>Subscribed and paid-up :</b>		
Issued Share Capital	10,10,39,370	10,10,39,370
<b>Paid up Share Capital</b>	<b>10,10,39,370</b>	<b>10,10,39,370</b>

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

**Equity shares**

₹ in rupees

	31st March 2012		31st March 2011	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	1,01,03,937	10,10,39,370	78,53,937	7,85,39,370
Issued During the Period	-	-	22,50,000	2,25,00,000
Redeemed or bought back during the period	-	-	-	-
<b>Outstanding at end of the period</b>	<b>1,01,03,937</b>	<b>10,10,39,370</b>	<b>1,01,03,937</b>	<b>10,10,39,370</b>

Right, Preferences and Restriction attached to shares

**Equity shares**

The company has only one class of Equity having a par value Rs. 10.00 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 NO. 3 RESERVES AND SURPLUS**

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Securities premium</b>		
Opening Balance	6,95,00,000	2,00,00,000
Add: Addition during the year	-	4,95,00,000
Less: Deletion during the year	-	-
<b>Closing Balance</b>	<b>6,95,00,000</b>	<b>6,95,00,000</b>
<b>General reserve</b>		
Opening Balance	8,75,24,913	3,84,10,133
Add: Transferred from Profit and Loss Statement	8,13,39,427	4,91,14,780
Less: Deletion during the year	-	-
<b>Closing Balance</b>	<b>16,88,64,340</b>	<b>8,75,24,913</b>

## VIKAS GLOBALONE LIMITED

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Capital reserve</b>		
Opening Balance	9,65,934	9,65,934
Add: Addition during the year	-	-
Less: Deletion during the year	-	-
<b>Closing Balance</b>	<b>9,65,934</b>	<b>9,65,934</b>
<b>Profit &amp; Loss Account</b>		
Opening Balance	-	-
Add: Profit for the year	8,72,10,952	6,08,96,855
Less: Appropriations final dividend	(50,51,969)	(1,01,03,937)
Less: Appropriations equity dividend distribution tax	(8,19,556)	(16,78,138)
Less: Appropriations general reserve	(8,13,39,427)	(4,91,14,780)
Closing Balance	-	-
<b>Balance carried to balance sheet</b>	<b>23,93,30,274</b>	<b>15,79,90,847</b>

### NOTE NO 4: LONG TERM BORROWINGS

₹ in rupees

Particulars	31st March 2012			31st March 2011		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
<b>Term Loan - From banks</b>						
Loans taken for vehicles secured	7,19,399	17,42,328	24,61,727	26,03,462	12,11,064	38,14,526
	<b>7,19,399</b>	<b>17,42,328</b>	<b>24,61,727</b>	<b>26,03,462</b>	<b>12,11,064</b>	<b>38,14,526</b>
<b>Term Loan - From Others</b>						
Loans taken for other fixed assets secured	2,17,01,693	1,04,08,052	3,21,09,745	3,26,10,227	57,26,604	3,83,36,831
	<b>2,17,01,693</b>	<b>1,04,08,052</b>	<b>3,21,09,745</b>	<b>3,26,10,227</b>	<b>57,26,604</b>	<b>3,83,36,831</b>
<b>Loans from related parties</b>						
Unsecured loan from Director	4,25,000		4,25,000	3,66,146		3,66,146
	<b>4,25,000</b>		<b>4,25,000</b>	<b>3,66,146</b>		<b>3,66,146</b>
<b>The Above Amount Includes</b>						
Secured Borrowings	2,24,21,092	1,21,50,380	3,45,71,472	3,52,13,689	69,37,668	4,21,51,357
Unsecured Borrowing	4,25,000		4,25,000	3,66,146		3,66,146
Amount Disclosed Under the Head "Other Current Liabilities"(Note No. 9)	(1,21,50,380)	(1,21,50,380)		(69,37,668)	(69,37,668)	
<b>Net Amount</b>	<b>2,28,46,092</b>	<b>0</b>	<b>2,28,46,092</b>	<b>3,55,79,835</b>	<b>0</b>	<b>3,55,79,835</b>

a.	<b>Term of Repayment of Loan</b>
i.	<p>HDFC - Vehicle Loan (Agmt No. 17104807) was taken during 2010 year and carries interest @ 15.65% to p.a. The loan is repayable in 36 instalment of Rs. 10,440.00 each along with interest, from the date of loan. The loan is secured by hypothecation of Car of the company.</p> <p>HDFC - Vehicle Loan (Agmt No. 17105637) was taken during 2010 year and carries interest @ 15.65% to p.a. The loan is repayable in 36 instalment of Rs. 10,440.00 each along with interest, from the date of loan. The loan is secured by hypothecation of Car of the company.</p> <p>HDFC - Vehicle Loan (Agmt No. 17105275) was taken during 2010 year and carries interest @ 15.65% to p.a. The loan is repayable in 36 instalment of Rs. 10,440.00 each along with interest, from the date of loan. The loan is secured by hypothecation of Car of the company.</p> <p>HDFC -Vehicle Loan (Ag. No.1710815) was taken during 2010 year and carries interest @ 15.65% to p.a. The loan is repayable in 36 instalment of Rs. 8995.00 each along with interest, from the date of loan. The loan is secured by hypothecation of Vehicles of the company.</p> <p>ICICI Loan No. -LADEL00017599702 was taken during 2010 year and carries interest @ 13.03% to p.a. The loan is repayable in 57 instalment of Rs. 61,560.00 each along with interest, from the date of loan. The loan is secured by hypothecation of Car of the company.</p> <p>Loan from Kotak Mahindra Prime Ltd was taken during 2010 year and carries interest @ 15.33% to p.a. The loan is repayable in 35 instalment of Rs. 15,950.00 each along with interest, from the date of loan. The loan is secured by hypothecation of Car of the company.</p>
ii	<p>Term Loan A/c No. V122901001 was taken from ICICI Bank Ltd. And carries interest @15.80% p.a. the loan is repayable in 60 instalments of Rs. 4,77,217.00</p> <p>Term Loan A/c No. V122902001 was taken from ICICI Bank Ltd. And carries interest @14.75% p.a. the loan is repayable in 36 instalments of Rs. 3,90,120.43</p>
b.	<b>Continue default of repayment of Loans and interest</b>
i.	The company is continuing paying on time the principal and interest on all loans taken. No default have been done in repayment of loan
ii.	The company is continuing paying on time the principal and interest on all loans taken. No default have been done in repayment of loan

**NOTE NO:5 DEFERRED TAX**

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Deferred tax liability</b>		
Deferred tax liability depreciation	28,63,463	19,98,158
<b>Gross deferred tax liability</b>	<b>28,63,463</b>	<b>19,98,158</b>
<b>Deferred tax assets</b>		
Deferred tax asset fixed assets	-	-
<b>Gross deferred tax asset</b>	-	-
<b>Net deferred tax assets</b>	-	-
<b>Net deferred tax liability</b>	<b>28,63,463</b>	<b>19,98,158</b>

NOTE NO :7 - PROVISIONS

₹ in rupees

Particulars	31st March 2012			31st March 2011		
	Long-term	Short-term	Total	Long-term	Short-term	Total
<b>Other provisions</b>						
Provision Dividend equity shares	-	50,51,969	50,51,969	-	1,01,03,937	1,01,03,937
Provision Dividend distribution tax equity shares	-	8,19,556	8,19,556	-	16,78,138	16,78,138
Current tax provision	-	4,60,950	4,60,950	-	57,52,092	57,52,092
	-	63,32,475	63,32,475	-	1,75,34,167	1,75,34,167
<b>Total</b>	-	63,32,475	63,32,475	-	1,75,34,167	1,75,34,167

NOTE NO.8:-SHORT-TERM BORROWINGS

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Loans Repayable on Demands - From banks</b>		
Cash credit(CL) secured	21,95,51,911	20,08,67,561
	21,95,51,911	20,08,67,561
<b>The Above Amount Includes</b>		
Secured Borrowings	21,95,51,911	20,08,67,561
<b>Total</b>	<b>21,95,51,911</b>	<b>20,08,67,561</b>

<b>a.</b>	<b>Continue default of repayment of Loans and interest</b>
i.	The company does not have any continuing defaults in repayment of loans and interest as at the reporting date.
ii	<p><b>Cash Credit :</b></p> <p>Secured by way of first charge on hypothecation of companies entire stock of raw material, semi finished goods, consumable stores &amp; spares, book debt, bills whether documentary or clean outstanding monies, receivable both present and future , ranking parri passu between Oriental Bank of Commerce &amp; ICICI bank Limited.</p> <p>The Loan is further secured by way of first charge on all the movable fixed assets of the company both present and future ranking parri passu between Oriental Bank of Commerce &amp; ICICI Bank Limited.</p> <p>Charge over the fixed assets exclusively financed by Oriental Bank of Commerce &amp; ICICI Bank Limited.</p> <p>Equitable Mortgage of industrial property situated at No G-24-29 RIICO Industrial Area, Vigyan Nagar, Shahjahanpur Dist. Alwar, Rajasthan.</p> <p><b>The Collateral securities issued to Oriental Bank of Commerce are:</b></p> <ol style="list-style-type: none"> <li>Residential Property bearing Khasra No. 14/5/2, 6min. 15/1/2,9/2 &amp; 10 min., Vill, Ghevra, Near Munda Railway Crossing , Delhi</li> <li>Roof , 34/1, East Punjabi Bagh, New Delhi -110026</li> <li>Industrial Property at Industrial Growth Centre, Phase-1, SIDCO Complex, Dist Samba, Jammu</li> </ol>

	<b>Continue default of repayment of Loans and interest</b>
	<b>The Collateral securities issued to ICICI Bank Ltd. are:</b>
	a) Exclusive equitable mortgage of factory land & Building in the name of company situated at G-30. RIICO Industrial Area, Vigyan Nagar, Shahjahanpur Dist. Alwar, Rajasthan.
	b) Exclusive equitable mortgage of residential property in the name of Vivek Garg situated at Khasra no 710/201 in village Rithala, Delhi.
	c) Exclusive equitable mortgage of property in the name of Seema Garg and Usha Garg situated at A 28, Khasra no 12/10 and 13/6, Village Kamruding Nagar, Nangloi, New Delhi.
	d) Exclusive equitable mortgage of plot of land situated at Khasra no. 142/32, Situated at Village Khanjawala, Delhi owned by New Age Polypack Coats Pvt Ltd.
	e) Exclusive equitable mortgage of residential plot in the name of Usha Garg situated at Bo. B1, Upper basement floor, 1/34, Punjabi Bagh, New Delhi.
	f) Registered Mortgage of agricultural land situated at village Sultanpur, Dabas, Delhi

**NOTE NO.9:-TRADE PAYABLES**

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Trade payables</b>		
Creditors due others	13,70,26,662	11,63,29,598
<b>Total</b>	<b>13,70,26,662</b>	<b>11,63,29,598</b>

**NOTE NO:10 OTHER CURRENT LIABILITIES**

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Current maturities of long-term debt(Note No: 3)</b>	<b>1,21,50,380</b>	<b>69,37,668</b>
	<b>1,21,50,380</b>	<b>69,37,668</b>
<b>Others payables</b>		
Advance from customer	6,17,44,594	71,05,471
Service tax payable	23,21,820	20,19,502
Other accrued expenses	27,93,716	17,19,199
Others	14,03,207	12,08,032
	<b>6,82,63,337</b>	<b>1,20,52,204</b>
<b>Total</b>	<b>8,04,13,717</b>	<b>1,89,89,872</b>

Note No. 11 Fixed Assets Chart as at 31st March 2012

₹ in rupees

Assets	Dep. Rate	Gross Block				Accumulated Depreciation/ Amortization						Net Block		
		Balance as at 1st April 2011	Additions during the Year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March 2012	Balance as at 1st April 2011	Provided during the Year	Addition on account of business acquisition	Deletion adjustments during the year	other adjustment	Impairment/ Reversal*	Balance as at 31st March 2012	Balance as at 31st March 2011
<b>A Tangible assets</b>														
Leasehold land		3,05,15,106	1,17,17,721	-	-	4,22,32,827	-	-	-	-	-	-	-	-
Buildings	5.00	2,76,81,134	2,18,72,463	-	-	4,95,53,597	19,11,908	19,65,436	-	-	-	38,77,344	4,22,32,827	3,05,15,106
Plant and machinery	13.91	6,20,07,861	3,64,47,251	-	-	9,84,55,112	68,27,164	1,06,62,191	-	-	-	1,74,89,355	4,56,76,253	2,57,69,226
Furniture & fittings	18.10	16,48,161	1,83,803	-	-	18,31,964	5,56,789	2,11,382	-	-	-	7,68,171	10,63,793	10,91,372
Vehicles	25.89	1,07,20,830	2,45,053	-	-	1,09,65,883	49,81,111	15,23,843	-	-	-	65,04,954	44,60,929	57,39,719
Office equipments	13.91	47,57,599	15,59,226	-	2,81,632	60,35,193	24,43,657	4,19,040	1,574	-	-	28,61,123	31,74,070	23,13,942
Computer	40.00	24,02,436	7,53,422	-	-	31,55,858	15,72,418	4,88,830	-	-	-	20,61,248	10,94,610	8,30,018
<b>Sub Total</b>		<b>13,97,33,127</b>	<b>7,27,78,939</b>	<b>-</b>	<b>2,81,632</b>	<b>21,22,30,434</b>	<b>1,82,93,047</b>	<b>1,52,70,722</b>	<b>1,574</b>	<b>-</b>	<b>-</b>	<b>3,35,62,195</b>	<b>17,86,68,239</b>	<b>12,14,40,080</b>
<b>P.Y Total</b>		<b>8,38,91,396</b>	<b>5,94,71,044</b>	<b>-</b>	<b>36,29,313</b>	<b>13,97,33,127</b>	<b>98,35,265</b>	<b>84,57,782</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,82,93,047</b>	<b>12,14,40,080</b>	<b>7,40,56,131</b>
<b>B Intangible assets</b>														
Goodwill	-	23,37,171	-	-	5,84,293	17,52,878	-	-	-	-	-	-	17,52,878	23,37,171
<b>Sub Total</b>		<b>23,37,171</b>	<b>-</b>	<b>-</b>	<b>5,84,293</b>	<b>17,52,878</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,52,878</b>	<b>23,37,171</b>
<b>Total</b>		<b>14,20,70,298</b>	<b>7,27,78,939</b>	<b>-</b>	<b>8,65,925</b>	<b>21,39,83,312</b>	<b>1,82,93,047</b>	<b>1,52,70,722</b>	<b>1,574</b>	<b>-</b>	<b>-</b>	<b>3,35,62,195</b>	<b>18,04,21,117</b>	<b>12,37,77,251</b>

NOTE NO. 12 NON-CURRENT INVESTMENTS

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Trade Investment(Valued at cost unless stated otherwise)</b>		
<b>Investments in partnership firms (Unquoted)</b>		
<b>In Associates</b>		
Investments in capital partnership firms unquoted trade (Lower of cost and Market value)	4,48,44,414	4,48,42,521
	<b>4,48,44,414</b>	<b>4,48,42,521</b>
<b>Non-Trade Investment(Valued at cost unless stated otherwise)</b>		
<b>Investments in equity Instruments (Unquoted)</b>		
<b>In Subsidiaries</b>		
Equity securities long-term unquoted non-trade (Lower of cost and Market value)	2,76,31,800	2,76,31,800
Other non-current investments (Quoted)		
<b>In Others</b>		
Other investments long-term unquoted non-trade (Lower of cost and Market value)	50,000	50,000
	<b>2,76,81,800</b>	<b>2,76,81,800</b>
<b>Gross Investment</b>	<b>7,25,26,214</b>	<b>7,25,24,321</b>
<b>Aggregate provision for diminution in value of investments</b>	(29,21,464)	-
<b>Net Investment</b>	<b>6,96,04,750</b>	<b>7,25,24,321</b>
<b>Aggregate amount of quoted investments</b>		
(Market Value: 50000.00) (2011: 50000.00)	50,000	50,000
<b>Aggregate amount of unquoted investments</b>	<b>6,95,54,750</b>	<b>7,24,74,321</b>

Investments in capital partnership firms unquoted trade

Name of Partners	Share in profits (in %)	
	31st March 2012	31st March 2011
Vikas Globalone Limited	75	51
Vikas Garg	15	39
Vivek Garg	10	10
<b>Total Capital in Firm</b>	<b>4,48,44,414</b>	<b>4,48,42,521</b>

NOTE NO. 13 LOANS AND ADVANCES

₹ in rupees

Particulars	31st March 2012		31st March 2011	
	Long-term	Short-term	Long-term	Short-term
<b>Security Deposit</b>				
Unsecured, considered good	30,64,352	44,75,535	40,43,746	
	<b>30,64,352</b>	<b>44,75,535</b>	<b>40,43,746</b>	-
<b>Other loans and advances</b>				
Secured loans and advances given to suppliers	-	4,80,52,562	-	7,53,10,257
Secured loans and advances given to employees	-	2,77,300	-	2,89,657
Cenvat credit receivable	-	3,77,352	-	27,589
Tax deducted at source (Secured)	-	25,20,998	-	17,06,113

**VIKAS GLOBALONE LIMITED**

₹ in rupees

Particulars	31st March 2012		31st March 2011	
	Long-term	Short-term	Long-term	Short-term
Claims recoverable (Secured)	1,26,466	1,15,12,814	-	1,52,26,467
MAT credit	-	88,53,862	-	-
Advance income tax paid (Secured)	-	7,01,000	-	10,00,000
PLA excise	-	10,87,133	-	9,77,117
other loans and advances	11,59,200	2,72,25,139	36,59,200	3,05,05,035
	<b>12,85,666</b>	<b>10,06,08,160</b>	<b>36,59,200</b>	<b>12,50,42,235</b>
<b>Total</b>	<b>43,50,018</b>	<b>10,50,83,695</b>	<b>77,02,946</b>	<b>12,50,42,235</b>

**NOTE NO:14-INVENTORIES**

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>(Valued at cost or NRV unless otherwise stated)</b>		
Finished Goods	2,16,28,386	1,82,63,371
WIP	5,79,426	-
Traded goods	3,67,57,919	6,07,50,053
Raw material[stock in transit : Rs. 65,68,076(-)]	10,54,03,780	1,17,55,153
Real estate inventory	1,88,94,043	1,88,94,043
<b>Total</b>	<b>183263554.00</b>	<b>109662620.00</b>

**NOTE NO : 15 - TRADE RECEIVABLES**

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Exceeding six months</b>		
Secured, Considered good	2,68,41,581	1,26,50,854
	<b>2,68,41,581</b>	<b>1,26,50,854</b>
<b>Less than six months</b>		
Secured, Considered good	23,68,04,922	19,97,23,106
	<b>23,68,04,922</b>	<b>19,97,23,106</b>
<b>Total</b>	<b>26,36,46,503</b>	<b>21,23,73,960</b>

**NOTE NO : 16 - CASH AND CASH EQUIVALENTS**

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Balance with banks</b>		
Balance scheduled banks current account	5,29,740	3,44,976
Balance other banks deposit account	-	1,45,340
	<b>5,29,740</b>	<b>4,90,316</b>
<b>Cash in hand</b>		
Cash in hand	21,56,522	6,96,238
	<b>21,56,522</b>	<b>6,96,238</b>
<b>Other</b>		
Unpaid dividend account	2,24,189	5,031
	<b>2,24,189</b>	<b>5,031</b>
<b>Total</b>	<b>29,10,451</b>	<b>11,91,585</b>

NOTE NO :17 - OTHER CURRENT ASSETS

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Miscellaneous expenditure not written off</b>		
Other miscellaneous expenditure not written off	1,23,876	3,91,661
<b>Total</b>	<b>1,23,876</b>	<b>3,91,661</b>

NOTE NO. 18 - REVENUE FROM OPERATIONS

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Sale of products</b>	<b>1,08,68,05,678</b>	<b>98,36,79,749</b>
<b>Other operating revenues</b>		
Revenue franchise	2,03,79,363	1,72,04,464
Other operating revenues	3,35,25,610	41,21,052
	<b>5,39,04,973</b>	<b>2,13,25,516</b>
<b>Gross revenue from operations</b>	<b>1,14,07,10,651</b>	<b>1,00,50,05,265</b>

NOTE NO. 19 - OTHER INCOME

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Interest Income</b>	<b>14,58,838</b>	<b>6,11,991</b>
<b>Other non-operating income</b>		
Profit on disposal of tangible fixed assets	3,39,19,015	9,94,035
Export incentives	67,24,313	40,64,923
Rent on investment properties	2,97,437	-
Foreign exchange difference income	-	40,48,932
Excess provisions written back	-	1,00,000
Other receipts	15,65,249	39,72,505
	<b>4,25,06,014</b>	<b>1,31,80,395</b>
<b>Total</b>	<b>4,39,64,852</b>	<b>1,37,92,386</b>

NOTE NO. 20 COST OF MATERIAL CONSUMED

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Inventory at the beginning</b>		
Raw Material	3,48,54,802	1,86,09,117
	<b>3,48,54,802</b>	<b>1,86,09,117</b>
<b>Add: Purchase</b>		
Raw Material	44,38,68,902	19,78,59,901
	<b>44,38,68,902</b>	<b>19,78,59,901</b>
<b>Add/Less :Other Adjustment</b>		
Raw Material	-	-
	-	-
<b>Less:-Inventory at the end</b>		
Raw Material	12,10,43,516	3,48,54,802
	<b>12,10,43,516</b>	<b>3,48,54,802</b>
<b>Total</b>	<b>35,76,80,188</b>	<b>18,16,14,216</b>

**Note No 20**  
**Cost of Material Consumed**

Items	Opening Balance	Purchases	Closing Balance	Consumption
Tin Alloy	6,04,159	4,09,41,873	64,59,120	3,50,86,911
Ethylhexyl Thioglycolate	14,96,645	1,92,89,144	54,31,628	1,53,54,160
Tinmate - 201	1,02,69,433	5,90,71,310	45,53,433	6,47,87,3010
PVC Compound	29,85,935	5,82,81,657	33,41,754	5,79,25,838
TPR Compound	44,19,217	11,81,61,875	39,65,630	11,86,15,462
Hydrogen Peroxide	24,57,565	52,89,177	1,43,670	76,03,072
LLDPE Innoplus	37,15,224	33,04,414	-	70,19,638
Refined Soyabean Oil	14,53,540	4,53,71,406	8,12,004	4,60,12,942
Others	74,53,086	9,41,58,046	9,63,36,276	52,74,854
<b>Grand Total</b>	<b>3,48,54,802</b>	<b>44,38,68,901</b>	<b>12,10,43,516</b>	<b>35,76,80,188</b>

**Details of material consumed**

₹ in rupees

Particulars	31st March 2012	31st March 2011
Raw Material Consumption raw material	35,76,80,188	18,16,14,216
<b>Total</b>	<b>35,76,80,188</b>	<b>18,16,14,216</b>

**Details of inventory**

₹ in rupees

Particulars	31st March 2012	31st March 2011
Raw Material Consumption raw material	12,10,43,516	3,48,54,802
<b>Total</b>	<b>12,10,43,516</b>	<b>3,48,54,802</b>

**NOTE NO. 21 PURCHASE OF STOCK-IN-TRADE**

₹ in rupees

Particulars	31st March 2012	31st March 2011
Purchase of traded goods	54,05,80,730	64,69,88,613
<b>Total</b>	<b>54,05,80,730</b>	<b>64,69,88,613</b>

**NOTE NO:22 - CHANGES IN INVENTORIES**

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Inventory at the end of the year</b>		
Traded Goods	3,67,57,919	5,59,13,774
	<b>3,67,57,919</b>	<b>5,59,13,774</b>
<b>Inventory at the beginning of the year</b>		
Traded Goods	5,59,13,774	4,57,71,252
	<b>5,59,13,774</b>	<b>4,57,71,252</b>
<b>(Increase)/decrease in inventories</b>		
Traded Goods	1,91,55,855	(1,01,42,522)
	<b>1,91,55,855</b>	<b>(1,01,42,522)</b>

NOTE NO. 23 - EMPLOYEE BENEFIT EXPENSES

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Salaries and Wages</b>		
Salary and wages	1,79,10,374	1,60,18,361
Salary and wages	15,80,146	14,41,436
	<b>1,94,90,520</b>	<b>1,74,59,797</b>
<b>Contribution to provident and other fund</b>		
Provident fund	3,02,762	1,96,470
	<b>3,02,762</b>	<b>1,96,470</b>
<b>Staff welfare Expenses</b>		
Staff Welfare Expenses	11,06,208	8,80,957
Other Employee Related Expenses	8,500	-
	<b>11,14,708</b>	<b>8,80,957</b>
<b>Total</b>	<b>2,09,07,990</b>	<b>1,85,37,224</b>

NOTE NO. 24 - FINANCE COSTS

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Interest</b>		
Interest on long-term loans from banks	65,37,033	36,43,594
Interest on other borrowings	2,95,55,979	2,22,03,601
	<b>3,60,93,012</b>	<b>2,58,47,195</b>
<b>Other Borrowing costs</b>		
Other financing charges	22,58,694	15,22,094
	<b>22,58,694</b>	<b>15,22,094</b>
<b>Total</b>	<b>3,83,51,706</b>	<b>2,73,69,289</b>

NOTE NO. 25 - DEPRECIATION AND AMORTIZATION EXPENSES

₹ in rupees

Particulars	31st March 2012	31st March 2011
Depreciation on tangible assets	1,52,70,722	84,57,782
Amortization of Goodwill	5,84,293	-
<b>Total</b>	<b>1,58,55,015</b>	<b>84,57,782</b>

NOTE NO. 26 - OTHER EXPENSES

₹ in rupees

Particulars	31st March 2012	31st March 2011
Custom duty	2,60,99,048	3,51,32,750
Freight	1,16,19,486	1,29,22,207
Loading and unloading expenses	18,13,988	19,32,498
Power and fuel	89,02,272	55,17,782
Demurrage and inland haulage charges	75,64,703	10,25,297
Net loss on foreign currency transaction and translation	81,81,755	-
Other selling and distribution expenses	7,07,373	66,15,222
Consumption of stores and spare parts	7,15,755	3,42,363
Legal and professional expenses	31,56,187	34,18,868
Conveyance expenses	33,05,781	35,90,245
Advertising expenses	45,26,056	14,62,462
Rent	11,03,000	9,51,000
Tours and Travelling Expenses	14,78,450	13,22,803
Vehicle running expenses	10,12,083	4,53,716
Repairs and maintenance of plant and machinery	11,67,836	2,06,099
Repairs and maintenance expenses	10,19,447	2,79,989
Safety and security expenses	13,15,623	8,09,136
Rates and taxes	7,93,973	2,32,826
Repairs and maintenance of factory building	1,11,739	9,29,705
Insurance expenses	7,37,385	6,75,959
Printing and stationery	5,79,746	4,65,340
Directors sitting fees	1,60,000	1,56,794
Auditor Remuneration	2,20,600	2,00,000
Rebate and Discounts	20,51,327	-
Commission paid to other selling agents	3,00,000	1,31,158
Other expenditure	28,67,971	25,22,797
Other miscellaneous expenditure written off	2,67,785	2,73,145
Other interest	3,73,503	-
<b>Total</b>	<b>9,21,52,872</b>	<b>8,15,70,161</b>

**AUDITORS' REPORT**

To the Members of *M/s Vikas Globalone Limited*

1. We have audited the attached **Consolidated** Financial Statements, Balance Sheet of *M/s Vikas Globalone Limited* as at 31st March, 2012 and the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments, we report that:-
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
  - (c) The Balance Sheet, Profit Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards, referred in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (e) On the basis of the written representations received for the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - In so far as it relates to Balance Sheet, of the state of affairs of the company as at 31st March, 2012;
    - In so far as it relates to the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
    - In so far as it relates to the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

For R S P H & Associates  
(Chartered Accountants)  
Firm Reg. No 003013N

Tarun Kumar Batra  
FCA, M No 094318  
(Partner)

Place : Delhi  
Date: 14.08.2012

**ANNEXURE TO THE AUDITORS' REPORT AS REFERRED TO IN PARA I OF THE SAID REPORT OF EVEN DATE**

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
2. The fixed assets have been physically verified by the management at all location at reasonable intervals. No material discrepancies between book records and the physical inventories have been noticed on such verifications.
3. The Inventories has been physically verified at reasonable intervals by the management. In our opinion and according to information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. On the basis of examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on such physical verification of inventory as compared to book records were not material which have been properly dealt with.
4. In respect of Loans, secured or unsecured, granted or taken by the company to / from companies, firms or other parties required to be listed in the register maintained under section 301 of the Companies Act'1956
  - The company has taken unsecured loans from ten parties covered in the Register maintained under section 301 of the Companies Act, 1956.
  - The Company has not granted any unsecured from parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence Clause 3(a) to 3(c) are not applicable
  - In our opinion and according to information and explanation given to us, the rate of interest and terms and conditions are not prime-facie prejudicial to the interest of the company.
  - In respect of loans taken by the company, the loans are repayable on demand and therefore the question of overdue amount does not arise.
5. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate in the size of the company and the nature of its business for purchase of inventory and fixed assets and on the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls. We have not observed any failure on the part of the Company to correct major weakness in internal control.
6. (a) Based on audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transaction that needs to be entered into the register maintained under section 301 of Companies Act, 1956 have been so entered.  
(b) According to information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at relevant time.
7. In our opinion and according to information and explanations given to us, the company has not accepted any public deposit during the year under consideration. Otherwise the Company has complied with the provisions of sections 58A and 58AA of the Company, 1956 and rules framed there under. We have been informed that no order has been passed by the Company Law Board or national company law tribunal or Reserve Bank of India or any court or any Tribunal in this regard.
8. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of subsection (1) of Section 209 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
9. In our opinion the company has an internal audit system commensurate with the size and nature of its business.
10. According to information and explanations given to us the company is depositing with appropriate authorities, undisputed statutory dues including provident fund , investor education fund, employees state

insurance, income tax, sales tax, wealth tax, custom duty, excise duty, Cess and other statutory dues to the extent applicable to it. There are no undisputed demands in respects of income tax, sales tax, service tax, excise duty, cess and other statutory dues payable for a period of more than six months from the date they become payable as at 31st March'2012 except a Vat Disputed amount of Rs 0.88 Lacs and VAT Disputed demand of Rs 90.66 Lacs for 2011-2012 for which appeal is pending before Special Commissioner, Department of Trade and Taxes and Custom Duty disputed of Rs 5.33 Lacs and Income

Tax demand of Rs 31.44 Lacs in the case of Vikas Utilities Private Limited which was merged with Vikas Globalone Limited on amalgamation. Delay has been observed in deposit of the Service Tax, TDS, ESI and PF with respective authorities during the year under consideration.

11. Based on the audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institution, bank or debenture holder.
12. Based on our examination of the records and evaluations of the related internal controls, we are of the opinion that there is no such transaction and contracts relating to shares, securities and other investment dealt in by the company in relation to which proper records are required to be maintained.
13. The company has not given any guarantee for loans taken by others from banks or financial institutions, the terms and conditions thereof are not prima facie prejudicial to the interest of the company.
14. Term loan taken by the company has been utilized for the purpose for which it has been taken.
15. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the company we report that the company has not utilized funds raised on short- term basis for long-term investment.
16. The company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
17. The Company does not have accumulated losses as at the end of financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
18. According to the information and explanation given to us, the Company has not granted any loans/ advances on the basis of security by way of pledge of shares, debentures and other securities.
19. Clause 4(xiii) of the Order is not applicable to the Company as the Company is not a chit fund or a Nidhi / mutual benefit fund/ society.
20. On the basis of the records made available to us, the Company has no debentures outstanding during the year.
21. The Company has not raised any money through public issue during the year.
22. During the course of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India, we have neither come across any material instance of fraud on or by the Company, noticed or reported during the year nor we have been informed of such a case by the management.
23. Other clauses of the Order are not applicable to the Company.

For R S P H & Associates  
(Chartered Accountants)  
Firm Reg. No 003013N

Place : Delhi  
Date : 14.08.2012

Tarun Kumar Batra  
FCA, M No 094318  
(Partner)

BALANCE SHEET AS AT 31ST MARCH 2012

₹ in rupees

PARTICULARS	Note No.	As at 31st March 2012	As at 31st March 2011
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
Share capital	2	10,10,39,370	10,10,39,370
Reserves and surplus	3	24,47,59,291	16,06,92,370
		<b>34,57,98,661</b>	<b>26,17,31,740</b>
Long-term borrowings	4	5,74,60,794	4,77,26,477
Deferred tax liabilities (Net)	5	23,06,203	19,98,158
		<b>5,97,66,997</b>	<b>4,97,24,635</b>
<b>Current liabilities</b>			
Short-term borrowings	8	30,69,01,075	28,24,62,765
Trade payables	9	15,83,59,652	21,03,77,725
Other current liabilities	10	10,21,24,241	3,48,23,058
Short-term provisions	7	76,22,005	1,29,40,508
		<b>57,50,06,973</b>	<b>54,06,04,056</b>
<b>TOTAL</b>		<b>98,05,72,631</b>	<b>85,20,60,431</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	11		
Tangible assets		19,78,25,103	14,09,88,285
Intangible assets		17,52,878	23,39,607
Non-current investments	12	50,000	5,50,000
Long-term loans and advances	13	1,32,29,437	4,14,71,875
		<b>21,28,57,418</b>	<b>18,53,49,767</b>
<b>Current assets</b>			
Inventories	14	21,88,79,875	20,76,49,718
Trade receivables	15	40,15,93,512	30,80,81,876
Cash and cash equivalents	16	98,91,935	29,79,129
Short-term loans and advances	13	13,72,26,015	14,76,08,280
Other current assets	17	1,23,876	3,91,661
		<b>76,77,15,213</b>	<b>66,67,10,663</b>
<b>TOTAL</b>		<b>98,05,72,631</b>	<b>85,20,60,431</b>

The Notes referred above form an integral part of the Accounts Audit Report as on even date attached

For and on behalf of the Board

R S P H AND ASSOCIATES  
Chartered Accountants (FRN:003013N)

Vikas Garg  
(Managing Director)

Nand Kishore Garg  
(Chairman)

Tarun Kumar Batra  
Partner (Membership No: 094318) (Company Secretary & Manager -Corporate Affairs)

Jyoti Somani

Sumer Chand Tayal  
(Director)

Place: New Delhi  
Date: 14<sup>th</sup> August 2012

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED ON 31ST MARCH 2012 ₹ in rupees

PARTICULARS	Note No.	For the period ended on 31st March 2012	For the period ended on 31st March 2011
<b>Revenue</b>			
Revenue from operations	18	1,70,81,78,066	12,426,47,385
Less: Excise duty		(6,06,94,979)	(4,50,89,640)
<b>Net Sales</b>		1,64,74,83,087	1,19,75,57,745
Other income	19	5,84,34,196	2,09,98,955
<b>Total Revenue</b>		<b>1,70,59,17,283</b>	<b>1,21,85,56,700</b>
<b>Expenses</b>			
Cost of material Consumed	20	54,72,00,026	35,75,87,417
Purchase of stock-in-trade	21	76,15,37,264	66,90,59,748
Changes in inventories	22	7,22,25,065	(7,22,01,380)
Employee benefit expenses	23	2,53,46,542	1,97,57,385
Finance costs	24	5,41,25,841	3,50,41,687
Depreciation and amortization expenses	25	1,95,08,458	1,21,44,035
Other expenses	26	12,15,97,490	11,20,50,518
<b>Total Expenses</b>		<b>1,60,15,40,686</b>	<b>1,13,34,39,410</b>
<b>Profit before exceptional, extraordinary &amp; prior period items and tax</b>		10,43,76,597	8,51,17,290
Exceptional items		(1,72,568)	
<b>Profit before extraordinary and prior period items and tax</b>		<b>10,42,04,029</b>	<b>8,51,17,290</b>
Extraordinary Item		(5,84,293)	
Prior period item		(18,539)	(43,846)
<b>Profit before tax</b>		10,36,01,197	8,51,61,136
Tax expenses			
Current tax		(17,50,480)	(11,58,433)
Deferred tax		(3,08,045)	(13,32,558)
Excess/short provision relating earlier year tax		5,62,809	2,72,929
<b>Profit(Loss) for the period from continuing operations</b>		<b>10,21,05,481</b>	<b>8,29,43,074</b>
Profit(Loss) from discontinuing operations		-	-
Tax expenses of discontinuing operations		-	-
<b>Profit(Loss) from discontinuing operations(after tax)</b>		<b>10,21,05,481</b>	<b>8,29,43,074</b>
<b>Profit(Loss) for the period</b>		<b>10,21,05,481</b>	<b>8,29,43,074</b>
Share earnings partnership firm/ Minority Interest		(1,21,67,036)	(1,94,80,762)
<b>Profit(Loss) for the period</b>		<b>8,99,38,445</b>	<b>6,34,62,312</b>
<b>Earnings per share</b>			
<b>Basic</b>		<b>8.90</b>	<b>8.06</b>
<b>Diluted</b>		<b>8.90</b>	<b>8.06</b>
Before extraordinary Items			
After extraordinary Adjustment			
<b>Adjustment average number shares</b>		<b>10103937</b>	<b>7872430</b>
<b>Average no. of shares for diluted EPS</b>		<b>10103937</b>	<b>7872430</b>

The Notes referred above form an integral part of the Accounts Audit Report as on even date attached

For and on behalf of the Board

R S P H AND ASSOCIATES  
Chartered Accountants (FRN:003013N)

Vikas Garg  
(Managing Director)

Nand Kishore Garg  
(Chairman)

Tarun Kumar Batra  
Partner(Membership No: 094318)

Jyoti Somani  
(Company Secretary & Manager -Corporate Affairs)

Sumer Chand Tayal  
(Director)

Place: New Delhi  
Date: 14<sup>th</sup> August 2012

₹ in rupees

**CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2012**

PARTICULARS	For the period ended on 31st March 2012	For the period ended on 31st March 2011
<b>A. Cash flow from operating activities:</b>		
Net profit (loss) before tax and extraordinary items	10,37,73,765	8,51,61,136
Adjustments for :		
Depreciation	1,89,24,165	1,15,99,742
Amortization	5,84,293	5,84,293
Provision for income tax	5,62,809	2,72,929
Interest expenses	5,41,25,841	3,50,41,687
Interest on current investments	(22,69,402)	(7,53,105)
<b>Operating Profit (Loss) before working capital changes</b>	<b>17,57,01,471</b>	<b>13,18,66,682</b>
Adjustments for :		
(Increase)/Decrease in inventories	(1,12,30,157)	(11,24,46,461)
(Increase)/Decrease in trade receivables	(9,35,11,636)	(12,15,93,496)
(Increase)/Decrease in other current assets	2,67,785	2,73,145
(Increase)/Decrease in loans and advances	3,86,24,703	12,28,42,444
(Increase)/Decrease in trade payables	(5,20,18,073)	13,35,11,120
(Increase)/Decrease in other liabilities	6,73,01,183	(8,66,967)
(Increase)/Decrease in provisions	(53,18,503)	48,86,309
<b>Cash generated from operations</b>	<b>11,98,16,773</b>	<b>(8,72,12,112)</b>
Direct taxes (paid)/refunded	(17,50,480)	(11,58,433)
Exceptional Items	(1,72,568)	
<b>Net cash flow from (used) in operating activities</b>	<b>11,78,93,725</b>	<b>(8,83,70,545)</b>
<b>B. Cash flow from investing activities :</b>		
Purchase of tangible fixed assets	(7,75,55,269)	(7,11,01,195)
Purchase of Intangible fixed assets	-	(29,21,464)
Purchase/Sale of Other Investments	5,00,000	(4,00,000)
Sale of tangible fixed assets	17,96,723	44,86,718
Other interest received	22,69,402	7,53,105
Other investing activities, net	(1,21,67,036)	(1,96,11,492)
<b>Net cash flow from (used) in investing activities</b>	<b>(8,51,56,180)</b>	<b>(8,87,94,328)</b>
<b>C. Cash flow from financing activities :</b>		
Proceeds from issue of equity share capital	-	7,20,00,000
Proceeds from long-term borrowings	97,34,317	10,62,87,53
Proceeds from short-term borrowings	2,44,38,310	14,11,84,937
Repayments of long-term borrowings	-	
Interest paid on bank borrowings	(5,41,25,841)	(3,50,41,687)
Dividend paid on equity shares	(50,51,969)	(1,01,03,937)
Dividend distribution tax paid on equity shares	(8,19,556)	(16,78,138)
<b>Net cash flow from (used) in financing activities</b>	<b>(2,58,24,739)</b>	<b>17,69,89,928</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>69,12,806</b>	<b>(1,74,945)</b>
Cash and Cash Equivalents at the beginning of the year	29,79,129	31,54,074
Cash and Cash Equivalents at the end of the year	98,91,935	29,79,129

The Notes referred above form an integral part of the Accounts Audit Report as on even date attached

For and on behalf of the Board

R S P H AND ASSOCIATES  
Chartered Accountants (FRN:003013N)

Vikas Garg  
(Managing Director)

Nand Kishore Garg  
(Chairman)

Tarun Kumar Batra  
Partner (Membership No: 094318)

Jyoti Somani  
(Company Secretary & Manager -Corporate Affairs)

Sumer Chand Tayal  
(Director)

Place: New Delhi

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

## NOTE 1: NOTES TO ACCOUNTS

## 1. Background and nature of operations

**VIKAS GLOBALONE LIMITED (VGL)** is a Delhi based professionally managed company incorporated on 30th November, 1984 under the Companies Act, 1956, having its registered office at Vikas House, 34/1, East Punjabi Bagh, New Delhi-110026 and is actively engaged in the business of Manufacturing and Distribution of Specialty Polymers Compounds and Additives. The company is listed in National Stock Exchange of India, Bombay Stock Exchange and Delhi Stock Exchange.

The company is manufacturing high end products used in Agricultural Pipes, Auto Parts, Wires and Cables, Artificial Leather, Footwear, Organic Chemicals, Polymers, Pharmaceuticals and Packaging industries while alongside acting as distributor of global conglomerates with niche in specialty chemicals and polymers.

Manufacturing plants of the company are spread in various geographical locations across India, 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, tax incentives, subsidy grants as well as market potential for finished goods. These industrial units have speedy connectivity to Road, Rail and Air transport. The company has built the plants with the best of the machineries and technical knowhow available from the world's leading suppliers. The manufactured products of the company have been well received in the market and have further scope of greater development with increased production capacities. The products manufactured by the Company are environmental friendly.

**MOONLITE TECHNOCHEM PRIVATE LIMITED** was incorporated on 19th November 1995 with the name of Akshatha Management Consultants Private Limited. Thereafter the name of the company changed to Akshatha Services Private Limited vide a fresh certificate of incorporation issued by Registrar of Companies dated 29th May 2001 and then to Moonlite Technochem Private Limited vide a fresh certificate of incorporation issued by Registrar of Companies dated 29th day of December 2008. The registered office of the company is located at A-520, Pocket-III, Paschim Puri, New Delhi-110063. The company is not listed in any Stock Exchange. It is wholly own subsidiary of Vikas GlobalOne Limited. Presently company is engaged in the business of Trading in Specialty chemicals and compounds.

**SIGMA PLASTIC INDUSTRIES** is the Partnership firm engaged in the business of manufacturing high speed specialty plastic compound. The firm owns a manufacturing plant located at Industrial Growth Centre, Phase - I, SIDCO Complex, Dist - Samba - 184121. It is a subsidiary of the Vikas GlobalOne Limited. The firm has sound financial track records.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

## (a) Basis of Consolidation and Preparation:

The Consolidated Financial Statements are prepared in accordance with Accounting Standard 21 (AS 21) on Consolidated Financial Statements as notified under the Companies (Accounting Standards) Rules, 2006, as amended. Reference in these notes to the Company, Holding Company, Companies or Group shall mean to include Vikas Globalone Limited ("VGL") ("The Company") or any of its subsidiaries, unless otherwise stated.

## (b) Principles of Consolidation:

The Consolidated Financial Statements comprise of the Financial Statements of Vikas Globalone Limited ("Parent Company") and it's Subsidiary Enterprises. The Consolidated Financial Statements are prepared according to uniform accounting policies, in accordance with accounting principles generally accepted in India.

The Consolidated Financial Statements are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard 21 (AS 21) Consolidated Financial Statements as notified under the Companies (Accounting Standards) Rules, 2006, as amended.

**(c) Goodwill / Capital Reserve:**

The difference between the cost of investment in the subsidiaries and the net assets at the time of acquisition of shares in the subsidiaries is recognised in the Consolidated Financial Statements as Goodwill or Capital Reserve as the case may be. Goodwill/Capital Reserve represents the difference between the Company's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Company's share of net worth is determined on the basis of the latest financial statements of such subsidiaries, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

**(d) Companies included in consolidation:**

Name of the Enterprise	Proportion of ownership interest	Year/period ended included in consolidation
Moonlite Technochem Private Limited	100.00%	April 01, 2011 to March 31, 2012
Sigma Plastic Industries (Partnership Firm)	51.00% 75.00%	April 01, 2010 to July 31, 2011 August 01, 2011 to March 31, 2012

**e) Basis of presentation**

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared as of an going concern under the historical cost convention on an accrual basis. The accountings policies have been consistently applied by the Company are consistent with those used in the previous year.

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

**(f) 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.

**(g) Inventories**

- i) Raw Material is valued at lower of cost OR net realizable value.
- ii) Finished products are valued at lower of cost OR net realizable value. Cost being the weighted average material cost & includes cost of conversion & other cost incurred in bringing the goods to their present location & condition. Closing balance of finished stock are accounted for on the basis of physically verified quantities.
- iii) Packing Material, stores & spares parts are valued at lower of moving weighted average 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.

**(h) Fixed assets, depreciation and amortization, 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'.

- Depreciation on fixed assets is computed using written down value method, as per the rates and as per the manner prescribed in Schedule XIV of the Companies Act, 1956.
- Depreciation on additions / deletions to fixed assets is provided on pro-rata basis from/till the date the asset is put to use / discarded. Individual assets costing less than Rs. 5,000 are fully depreciated in the year of purchase.

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.

Goodwill arising on acquisition is amortized over a 5 year period.

**(l) 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.

**(j) 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.

**i) 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.

**ii) Interest**

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

**iii) Construction contract**

The company follows complete contract method of accounting in respect of its construction activity. Under this method, the profit on unit sold is recognized only when the work in respect of the relevant unit is completed or substantially completed which is determined on technical estimations and the underlying sale deed is executed.

**iv) 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.

**(k) 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.

**(l) 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.

**(m) 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.

**(n) 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.

**(o) Cash Flow Statement**

Cash Flows are reported using indirect method, whereby profit before tax is adjusted for effects 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.

**(p) Employees retirement benefits**

The Company's employee benefits primarily cover provident fund, gratuity and leave encashment.

Provident fund is defined contribution schemes and the Company has no further obligation beyond the contributions made to the fund. Contributions are charged to profit and loss account in the year in which it is due. Leave encashment is paid as and when it becomes due to the employee.

**(q) 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 reasonable 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.

**(r) 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 not recognized in the financial statements since this may result in the recognition of income that may never be realized.

**(s) Foreign Currency Transactions:**

As stipulated in Accounting Standard 11, the effects of changes in foreign exchange rates, notified under the Companies (Accounting Standards) Rules, 2006, as amended.

**i). 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.

**ii). 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 are reported using the exchange rates that existed when the values were determined.

**iii). 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.

**3. COMMITMENTS****a. Capital commitment**

There are no contracts remaining to be executed on capital account and not provided for as at 31 March, 2012.

**b. Lease commitment**

The Company has taken various premises on operating leases. The lease rental of Rs. 2,94,000/- (Previous year Rs. 2,94,000/-) has been charged to Profit and Loss Account for the year ended March 31, 2012. The underlying 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 subleases.

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

₹ in rupees

Minimum Lease Rentals	31st March 2012	31st March 2011
Within one year	2,94,000	2,94,000
Later than one year, not later than five years	--	2,94,000
<b>Total</b>	<b>2,94,000</b>	<b>5,88,000</b>

4. There is no significant event that has been taken place after the date of Balance Sheet.
5. There is a Contingent Liability in form of Bank Guarantee of Rs. 14,12,200/- and Advance license for the Imported goods of Rs. 3,02,95,371/-.

Details of pending cases are given below:-

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Disputed demands/ show-cause notices under:-</b>		
a) Income Tax cases	31,44,000	31,44,000
b) Customs Duty cases	5,33,266	5,33,266
c) VAT	88,000	88,000
d) VAT ( 2011-2012) ( Appeal if pending before Special Commissioner, Department of Trade and Taxes)	90,67,107	-

6. **SEGMENTAL 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:

- i) **Chemical Division**
- ii) **Real estate Division**

The above business segments have been identified and reported considering:

- The nature of the services
- The related risk and returns
- The internal financial reporting systems

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Segment Revenue</b>		
Chemical Division	1,63,68,70,233	1,21,75,62,665
Real Estate Division	6,90,47,050	9,94,035
<b>Total</b>	<b>1,70,59,17,283</b>	<b>1,21,85,56,700</b>
<b>Segment Expenditure</b>		
Chemical Division	1,55,86,07,759	1,11,78,34,639
Real Estate Division	17,49,521	-
<b>Total</b>	<b>1,56,03,56,280</b>	<b>1,11,78,34,639</b>

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Segment Results</b>		
Chemical Division	7,82,62,474	9,97,28,026
Real Estate Division	6,72,97,528	9,94,035
	<b>14,55,60,002</b>	<b>10,07,22,06</b>
Less: Interest	5,41,25,841	3,50,41,687
<b>Profit before Tax</b>	<b>9,14,34,161</b>	<b>6,56,80,374</b>
Capital Employed		
Chemical Division	70,50,85,235	58,25,80,120
Real Estate Division	1,88,94,043	1,88,94,043
	<b>72,39,79,278</b>	<b>60,14,74,163</b>

The Company operates entirely in India and, accordingly, no disclosures are required under secondary segment reporting.

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

7. 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 thereon has been given.
8. In the opinion of the Board of Directors of the Company, all Current Assets, Loans and Advances appearing in the balance sheet as at March 31, 2012 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.
9. In the opinion of the Board of Directors, no provision is required to be made against the recoverability of these balances except provided.
10. **EMPLOYEE BENEFITS OBLIGATION:-**  
During year ended March 31, 2012 the Company has contributed Rs. 2,97,433/- to provident fund under defined contributions plan of Employees' Provident Fund and Miscellaneous Provisions Act, 1952.
11. In the opinion of the Board of Directors, provision for diminution in the value of investment is Rs. Nil (Previous year Rs. NIL) required in current year towards diminution in value of Long Term Investments, where the decline in value is temporary in nature.
12. As per the best estimate of the management, no provision is required to be made as per Accounting Standard 29 (AS 29) Provisions, Contingent Liabilities and Contingent Assets as notified under the Companies (Accounting Standards) Rules, 2006, as amended, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

13. PRIOR PERIOD ITEMS: -

₹ in rupees

Description	31st March 2012	31st March 2011
<b>Expenses:-</b>		
Water Exp.	3,539	--
Legal and Professional Charges	15,000	
Commission Exp.		10,709
Service Tax input w/o		23,190
Security Charges		51,692
<b>Total(A)</b>	<b>18,539</b>	<b>85,591</b>
<b>Income:-</b>		
Commission Income		41,745
<b>Total(B)</b>	<b>--</b>	<b>41,745</b>
<b>Grand Total (A-B)</b>	<b>18,539</b>	<b>43,846</b>

14. Disclosures 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
Associates	Vikas Polymer India (Partnership Firm)
Key Management Personnel	Mr. Vikas Garg Mr. Vivek Garg Mr. Vishal Garg

₹ in rupees

Nature of Transaction	Associates	KMP	Total
Sales	4,16,90,850		4,16,90,850
Purchase			
Investment in shares			
Rent Paid	10,94,000		10,94,000
Director Remuneration		7,70,000	7,70,000
Unsecured Loan	166,146	4,25,000	5,91,146
<b>TOTAL</b>	<b>4,29,50,996</b>	<b>11,95,000</b>	<b>4,41,45,996</b>

The above transactions were carried out during the year with related parties in the ordinary course of business:

In accordance with AS 18, disclosures in respect of transactions with identified related parties are given only for such period during which the relationship existed.

**15. EARNINGS PER SHARE:-**

Basic earnings per share is 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	31st March 2012	31st March 2011
Net Profit/ (Loss) After Tax as per Profit and Loss Account (in Rs)	8,99,38,445	6,34,62,312
Weighted average no of shares outstanding during the year	10103937	7872430
Basic and diluted Earnings Per Share (in Rs)	8.90	8.05
Nominal value per Equity Share (in Rs)	10/-	10/-

**16. DEFERRED TAX:-**

In compliance with Accounting Standard 22 (AS 22)-Accounting for Taxes on Income, as notified under the Companies (Accounting Standards) Rules, 2006, as amended, the Company has recognised deferred tax liabilities (net) in the Profit and Loss Account of Rs. 3,08,045/- (Previous year Rs.13,32,558/-) during the year ended March 31, 2012.

The breakup of Deferred Tax Liabilities into major components as at March 31, 2012 is as under:

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Deferred Tax Liabilities</b>		
Arising on account of temporary differences due to:		
Excess of Book WDV of Fixed Assets over Tax WDV of Fixed Assets	2,306,203/-	19,98,158/-
<b>Total</b>	<b>2,306,203/-</b>	<b>19,98,158/-</b>

17. The Company has not entered into any foreign exchange derivative instruments during the year.

18. 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 Globalone Limited (formally known as Vikas Profin 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. 9,65,934/- arising out of amalgamation is shown under the head Capital reserve Account.

19. Additional information pursuant to the provision of paragraph 3, 4, 4A, 4B, 4C and 4D of Part II of Schedule VI of the Companies Act, 1956 to the extent applicable are as follows:-

**(a) Managerial remuneration:**

₹ in rupees

Particulars	31st March 2012	31st March 2011
Salaries	7,70,000	3,60,000
Employer's Contribution to Provident Fund	--	--
<b>TOTAL</b>	<b>7,70,000</b>	<b>3,60,000</b>

(b) Auditors remuneration:	Current Year	Previous Year
-Audit Fees & Tax Audit	3,07,760/-	2,77,210/-

(c) Expenses incurred in foreign currency during the year ended March 31, 2012 aggregates to:-  
₹in rupees

Particulars	31st March 2012	31st March 2011
<b>Expenditures:-</b>		
Purchase	37,20,38,902	34,04,78,116
Foreign Travelling	5,10,185	7,51,433
<b>TOTAL</b>	<b>28,27,18,376</b>	<b>34,12,29,549</b>

(d) CIF value of imports: ₹in rupees

Particulars	31st March 2012	31st March 2011
Raw Material Purchased	37,20,38,902	34,04,78,116
Capital Goods(Including Spares)	--	12,81,684
<b>TOTAL</b>	<b>37,20,38,902</b>	<b>34,17,59,800</b>

(e) FOB value of export made during the year included in the sales amounting Rs. 1,75,42,884/-  
(Previous Year: Rs. 17,08,560/-)

20. The Board of Directors of the Company Moonlite Technochem Private Limited which is a subsidiary company of Vikas Globalone Limited had in its meeting held on October 17, 2011 had approved a Scheme of Amalgamation for the amalgamation of Mahak Vyapaar Private Limited, Transferor Company No. 1 and Magic Tradelink Private Limited, Transferor Company No. 2 with Moonlite Technochem Private Limited, Transferee Company. The appointed date under the Scheme was April 1, 2011 and the said schemes were filed with the Hon'ble High Court of Delhi, Delhi and the Hon'ble Calcutta High Court, Kolkatta for the dispensation / holding of meetings of the shareholders, secured and unsecured creditors of the respective company. The Hon'ble High Court of Delhi had vide its order dated May 28, 2012 allowed the dispensation from holding of meetings of the members, secured and unsecured creditors of the respective companies i.e. the Transferor Company No. 2 and the Transferee Company and the order of the Hon'ble Calcutta High Court, in respect of Transferor Company No. 1 only, is awaited. The management of the company is quite hopeful to obtain the final order of amalgamation from both the concerned Hon'ble High Courts before the end of December, 2012 and thereafter, the Scheme of Amalgamation shall become effective w.e.f. the appointed date i.e. April 1, 2011. The effective date of the Scheme shall be only after the said orders be obtained from the Hon'ble High Courts and filed with the respective Registrar of Companies. Salient features and other conditions of the Scheme of Amalgamation and / or the copy of Scheme of Amalgamation may be obtained on written request from the company at its registered office and shall also be disclosed with the Balance Sheet when the Scheme would be effective. These Financial Statements would need to be amended to give effect to the Scheme of Amalgamation after the effective date.

21. Previous year's figures have been regrouped, where necessary to confirm with current year's classification.

**NOTE NO. 2 SHARE CAPITAL**

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Authorized :</b>		
Authorized Share Capital	15,95,00,000	15,95,00,000
<b>Issued :</b>		
Issued Share Capital	10,10,39,370	10,10,39,370
<b>Subscribed and paid-up :</b>		
Issued Share Capital	10,10,39,370	10,10,39,370
<b>Paid up Share Capital</b>	<b>10,10,39,370</b>	<b>10,10,39,370</b>

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

**Equity shares**

₹ in rupees

	31st March 2012		31st March 2011	
	No. of Shares	Amount	No. of Shares	Amount
<b>At the beginning of the period</b>	1,01,03,937	10,10,39,370	78,53,937	7,85,39,370
Issued During the Period	-	-	22,50,000	2,25,00,000
Redeemed or bought back during the period	-	-	-	-
<b>Outstanding at end of the period</b>	<b>1,01,03,937</b>	<b>10,10,39,370</b>	<b>1,01,03,937</b>	<b>10,10,39,370</b>

**Right, Preferences and Restriction attached to shares**

**Equity shares**

The company has only one class of Equity having a par value Rs. 10.00 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 NO 3: RESERVE AND SURPLUS**

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Securities premium</b>		
Opening Balance	6,95,00,000	2,00,00,000
Add: Addition during the year		4,95,00,000
Less: Deletion during the year		
<b>Closing Balance</b>	<b>6,95,00,000</b>	<b>6,95,00,000</b>
<b>General reserve</b>		
Opening Balance	9,02,26,436	3,86,76,929
Add: Transferred from Profit and Loss Statement	8,40,66,921	5,16,80,237
Less: Deletion during the year		
<b>Closing Balance</b>	<b>17,42,93,357</b>	<b>9,02,26,436</b>

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Capital reserve</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>Profit &amp; Loss Account</b>		
Opening Balance		
Add: Profit for the year	8,99,38,445	6,34,62,312
Less: Appropriations final dividend	(50,51,968)	(1,01,03,937)
Less: Appropriations equity dividend distribution tax	(8,19,556)	(16,78,138)
Less: Appropriations general reserve	(8,40,66,921)	(5,16,80,237)
<b>Closing Balance</b>	-	-
<b>Balance carried to balance sheet</b>	<b>24,47,59,291</b>	<b>16,06,92,370</b>

**NOTE NO. 4:-LONG-TERM BORROWINGS**

₹ in rupees

Particulars	31st March 2012			31st March 2011		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
<b>Term Loan - From banks Secured</b>						
Loans taken for Vehicles Secured	27,62,101	35,34,573	62,96,674	67,97,104	42,18,239	1,10,15,343
	<b>27,62,101</b>	<b>35,34,573</b>	<b>62,96,674</b>	<b>67,97,104</b>	<b>42,18,239</b>	<b>1,10,15,343</b>
<b>Term Loan - From Others</b>						
Loans taken for other fixed assets secured	2,17,01,693	1,04,08,052	3,21,09,745	3,26,10,227	57,26,604	3,83,36,831
	<b>2,17,01,693</b>	<b>1,04,08,052</b>	<b>3,21,09,745</b>	<b>3,26,10,227</b>	<b>57,26,604</b>	<b>3,83,36,831</b>
<b>Loans from related parties</b>						
From Individual	1,04,97,000		1,04,97,000	9,41,146		9,41,146
From Corporate	2,25,00,000		2,25,00,000	73,78,000		73,78,000
	<b>3,29,97,000</b>		<b>3,29,97,000</b>	<b>83,19,146</b>		<b>83,19,146</b>
<b>The Above Amount Includes</b>						
Secured Borrowings	2,44,63,794	1,39,42,625	3,84,06,419	3,94,07,331	99,44,843	4,93,52,174
Unsecured Borrowing	3,29,97,000		3,29,97,000	83,19,146		83,19,146
Amount Disclosed Under the Head "Other Current Liabilities"(Note No. 9)		(1,39,42,625)	(1,39,42,625)		(99,44,843)	(99,44,843)
<b>Net Amount</b>	<b>5,74,60,794</b>	<b>0</b>	<b>5,74,60,794</b>	<b>4,77,26,477</b>	<b>0</b>	<b>4,77,26,477</b>

a.	Term of Repayment of Loan
i.	<p>HDFC - Vehicle Loan (Agmt No. 17104807) was taken during 2010 year and carries interest @ 15.65% to p.a. The loan is repayable in 36 instalment of Rs. 10,440.00 each along with interest, from the date of loan. The loan is secured by hypothecation of Car of the company.</p> <p>HDFC - Vehicle Loan (Agmt No. 17105637) was taken during 2010 year and carries interest @ 15.65% to p.a. The loan is repayable in 36 instalment of Rs. 10,440.00 each along with interest, from the date of loan. The loan is secured by hypothecation of Car of the company.</p> <p>HDFC - Vehicle Loan (Agmt No. 17105275) was taken during 2010 year and carries interest @ 15.65% to p.a. The loan is repayable in 36 instalment of Rs. 10,440.00 each along with interest, from the date of loan. The loan is secured by hypothecation of Car of the company.</p>

	<p>HDFC -Vehicle Loan (Ag.No.1710815) was taken during 2010 year and carries interest @ 15.65% to p.a. The loan is repayable in 36 instalment of Rs. 8995.00 each along with interest, from the date of loan. The loan is secured by hypothecation of Vehicles of the company.</p> <p>ICICI Loan No.-LADEL00017599702 was taken during 2010 year and carries interest @ 13.03% to p.a. The loan is repayable in 57 instalment of Rs. 61,560.00 each along with interest, from the date of loan. The loan is secured by hypothecation of Car of the company.</p> <p>Loan from Kotak Mahindra Prime Ltd was taken during 2010 year and carries interest @ 15.33% to p.a. The loan is repayable in 35 instalment of Rs. 15,950.00 each along with interest, from the date of loan. The loan is secured by hypothecation of Car of the company.</p> <p>HDFC -Vehicle Loan (Ag.No. 17685320) was taken during 2010 year and carries interest @ 15.65 % to p.a. The loan is repayable in 36 instalment of Rs. 1,09,888.00 each along with interest, from the date of loan. The loan is secured by hypothecation of Vehicles of the company.</p> <p>Loan from Tata Capital Limited was taken during 2010 year and carries interest. The loan is repayable in 35 instalment of Rs. 73,415.00 each along with interest, from the date of loan. The loan is secured by hypothecation of Vehicles of the company.</p> <p>Loan from Kotak Mahindra Prime Ltd was taken during year and carries interest @ 15.33 % to p.a. The loan is repayable in 36 instalment of Rs. 19,068.00 each along with interest, from the date of loan. The loan is secured by hypothecation of Car of the company.</p>
ii	<p>Term Loan A/c No. V122901001 was taken from ICICI Bank Ltd. And carries interest @15.80% p.a. the loan is repayable in 60 instalments of Rs. 4,77,217.00</p> <p>Term Loan A/c No. V122902001 was taken from ICICI Bank Ltd. And carries interest @14.75% p.a. the loan is repayable in 36 instalments of Rs. 3,90,120.43</p>
b.	<p><b>Continue default of repayment of Loans and interest</b></p> <p>i. The company is continuing paying on time the principal and interest on all loans taken. No default have been done in repayment of loan</p> <p>ii. The company is continuing paying on time the principal and interest on all loans taken. No default have been done in repayment of loan</p>

**NOTE NO : 5 DEFERRED TAX**

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Deferred tax liability</b>		
Deferred tax liability depreciation	28,63,463	19,98,158
<b>Gross deferred tax liability</b>	<b>28,63,463</b>	<b>19,98,158</b>
<b>Deferred tax assets</b>		
Deferred tax asset fixed assets	5,57,260	-
<b>Gross deferred tax asset</b>	<b>5,57,260</b>	<b>-</b>
<b>Net deferred tax assets</b>		
<b>Net deferred tax liability</b>	<b>23,06,203</b>	<b>19,98,158</b>

**NOTE NO :7 - PROVISIONS**

₹ in rupees

Particulars	31st March 2012			31st March 2011		
	Long-term	Short-term	Total	Long-term	Short-term	Total
Other provisions						
Provision Dividend equity shares	-	50,51,969	50,51,969	-	1,01,03,937	1,01,03,937
Provision Dividend distribution tax equity shares	-	8,19,556	8,19,556	-	16,78,138	16,78,138
Current tax provision	-	17,50,480	17,50,480	-	11,58,433	11,58,433
<b>Total</b>	<b>-</b>	<b>76,22,005</b>	<b>76,22,005</b>	<b>-</b>	<b>1,29,40,508</b>	<b>1,29,40,508</b>

NOTE NO.8:-SHORT-TERM BORROWINGS

₹ in rupees

Particulars	31st March 2012	31st March 2011
Loans Repayable on Demands - From Banks		
Cash Credit Secured	30,69,01,075	28,24,62,765
	<b>30,69,01,075</b>	<b>28,24,62,765</b>
The Above Amount Includes		
Secured Borrowings	30,69,01,075	28,24,62,765
<b>Total</b>	<b>30,69,01,075</b>	<b>28,24,62,76</b>

a.	<b>Continue default of repayment of Loans and interest</b>
	<b>i. The company does not have any continuing defaults in repayment of loans and interest as at the reporting date.</b>
	<p><b>ii. Cash Credit :</b></p> <p>Secured by way of first charge on hypothecation of companies entire stock of raw material, semi finished goods, consumable stores &amp; spares, book debt, bills whether documentary or clean outstanding monies, receivable both</p> <p>Present and future, ranking parri passu between Oriental Bank of Commerce &amp; ICICI bank Limited.</p> <p>The Loan is further secured by way of first charge on all the movable fixed assets of the company both present and future ranking parri passu between Oriental Bank of Commerce &amp; ICICI Bank Limited.</p> <p>Charge over the fixed assets exclusively financed by Oriental Bank of Commerce &amp; ICICI Bank Limited.</p> <p>Equitable Mortgage of industrial property situated at No G-24-29 RIICO Industrial Area, Vigyan Nagar, Shahjahanpur Dist. Alwar, Rajasthan.</p> <p>The Collateral securities issued to Oriental Bank of Commerce are:</p> <p>a) Residential Property bearing Khasra No. 14/5/2, 6min. 15/1/2,9/2 &amp; 10 min., Vill, Ghevra, Near Munda Railway Crossing , Delhi</p> <p>b) Roof , 34/1, East Punjabi Bagh, New Delhi -110026</p> <p>c) Industrial Property at Industrial Growth Centre, Phase-1, SIDCO Complex, Dist Samba, Jammu</p> <p><b>The Collateral securities issued to ICICI Bank Ltd. are:</b></p> <p>a) Exclusive equitable mortgage of factory land &amp; Building in the name of company situated at G-30. RIICO Industrial Area, Vigyan Nagar, Shahjahanpur Dist. Alwar, Rajasthan.</p> <p>b) Exclusive equitable mortgage of residential property in the name of Vivek Garg situated at Khasra no 710/201 in village Rithala, Delhi.</p> <p>c) Exclusive equitable mortgage of property in the name of Seema Garg and Usha Garg situated at A28, Khasra no 12/10 and 13/6, Village Kamruding Nagar, Nangloi, New Delhi.</p> <p>d) Exclusive equitable mortgage of plot of land situated at Khasra no. 142/32, Situated at Village Khanjawala, Delhi owned by New Age Polypack Coats Pvt Ltd.</p> <p>e) Exclusive equitable mortgage of residential plot in the name of Usha Garg situated at Bo. B1, Upper basement floor, 1/34, Punjabi Bagh, New Delhi.</p> <p>f) Registered Mortgage of agricultural land situated at village Sultanpur, Dabas, Delhi</p> <p><b>The Collateral Securities issued to Union Bank of India are:</b></p> <p>a) Land and Building at Khatoni No. 341, Plot No. WZ-47-A, Basai Dara Pur, New Delhi- 110015 in the name of Sh. Jai Hind Kumar Gupta.</p>

	b) Property out of Khasra No. 142/704, extended lal dora Adabi of Village, Kanjawala, Delhi in the name of Sh. Vikas Garg.
	c) Flat No.6, First Floor on Plot No. 1/34, Punjabi Bagh (E), New Delhi in the name of Smt. Seema Garg.
	d) Lal Dora Land Plot No. 749(800 Sq. Yard)Kh. No. 142/749, Village Kanjawala, in the name of Sh. Vivek Garg.

**NOTE NO.9:-TRADE PAYABLES**

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Trade payables</b>		
Sundry Creditors	15,83,59,652	21,03,77,725
<b>Total</b>	<b>15,83,59,652</b>	<b>21,03,77,725</b>

**NOTE NO:10 OTHER CURRENT LIABILITIES**

₹ in rupees

Particulars	31st March 2012	31st March 2011
Current maturities of long-term debt(Note No: 3)	1,39,42,625	99,44,843
	<b>1,39,42,625</b>	<b>99,44,843</b>
<b>Others payables</b>		
Advance from customer	6,43,09,395	78,63,417
Expenses payable	47,49,977	30,01,140
Minority Interest	1,53,97,217	1,13,29,182
Others	37,25,027	26,84,476
	<b>8,81,81,616</b>	<b>2,48,78,215</b>
<b>Total</b>	<b>10,21,24,241</b>	<b>3,48,23,058</b>

Note No. 11 Fixed Assets Chart as at 31st March 2012

₹ in rupees

Assets	Dep. Rate	Gross Block				Accumulated Depreciation/ Amortization						Net Block		
		Balance as at 1st April 2011	Additions during the Year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March 2012	Balance as at 1st April 2011	Provided during the Year	Addition on account of business acquisition	Deletion adjustments during the year	other adjustment	Impairment/ Reversal*	Balance as at 31st March 2012	Balance as at 31st March 2011
<b>A Tangible assets</b>														
Leasehold land	-	31,002,986	16,417,721	-	-	47,420,707	-	-	-	-	-	-	-	-
Buildings	5.00	29,494,345	21,872,463	-	-	51,366,808	2,050,854	2,049,149	-	-	-	4,100,003	47,420,707	31,002,986
Plant and machinery	13.91	67,873,096	36,499,470	-	-	104,372,566	8,238,479	11,284,679	-	-	-	19,523,158	84,849,408	59,634,617
Furniture & fittings	18.10	1,803,517	183,803	-	-	1,987,320	642,246	224,034	-	-	-	866,280	1,121,040	1,161,270
Vehicles	25.89	27,019,766	245,053	-	5,324,864	21,939,955	10,503,332	4,158,070	-	3,808,199	-	10,853,203	11,086,752	16,516,434
Office equipments	13.91	7,588,962	1,583,337	-	281,632	8,890,667	3,209,287	709,049	-	1,574	-	3,916,762	4,973,905	4,379,675
Computer	40.00	2,965,924	753,422	-	-	3,719,346	2,116,112	496,747	-	-	-	2,612,860	1,106,486	849,812
<b>Sub Total</b>		<b>167,748,596</b>	<b>77,555,269</b>	<b>-</b>	<b>5,606,496</b>	<b>239,697,369</b>	<b>26,760,310</b>	<b>18,921,728</b>	<b>-</b>	<b>3,809,773</b>	<b>-</b>	<b>41,872,266</b>	<b>197,825,103</b>	<b>140,988,285</b>
P.Y Total		105,589,600	66,677,244	-	4,486,718	167,780,126	15,229,662	11,559,742	-	-	-	26,789,404	140,990,722	90,359,938
<b>B Intangible assets</b>														
Software	-	31,740	-	-	-	31,740	29,304	2,436	-	-	-	31,740	-	2,436
Goodwill	-	2,921,464	-	-	-	2,921,464	584,293	584,293	-	-	-	1,168,586	1,752,878	2,337,171
<b>Sub Total</b>		<b>2,953,204</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,953,204</b>	<b>613,597</b>	<b>586,729</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,200,326</b>	<b>1,752,878</b>	<b>2,339,607</b>
<b>Total (A+B)</b>		<b>170,701,800</b>	<b>77,555,269</b>	<b>-</b>	<b>5,606,496</b>	<b>242,650,573</b>	<b>27,373,907</b>	<b>19,508,457</b>	<b>-</b>	<b>3,809,773</b>	<b>-</b>	<b>43,072,592</b>	<b>199,577,981</b>	<b>143,327,892</b>

NOTE NO. 12 NON-CURRENT INVESTMENTS

₹ in rupees

Particulars	31st March 2012	31st March 2011
Aggregate amount of quoted investments (Market Value: 50000.00) (2011: 50000.00)	50,000	5,50,000
Aggregate amount of unquoted investments	50,000	5,50,000

NOTE NO. 13 LOANS AND ADVANCES

₹ in rupees

Particulars	31st March 2012		31st March 2011	
	Long-term	Short-term	Long-term	Short-term
<b>Security Deposit</b>				
Unsecured, consider good	33,00,138	49,55,842	54,82,120	1,37,90,946
	<b>33,00,138</b>	<b>49,55,842</b>	<b>54,82,120</b>	<b>1,37,90,946</b>
<b>Other loans and advances</b>				
Secured loans and advances given to suppliers		5,91,58,916		8,62,39,051
Secured loans and advances given to employees		3,50,800		2,99,157
Cenvat credit receivable		3,77,352		27,589
Tax deducted at source (Secured)		26,50,956		20,63,578
Claims recoverable	72,73,923	1,65,81,270	72,73,923	41,82,702
MAT credit		88,53,862		-
Advance income tax paid (Secured)		7,01,000		10,00,000
PLA excise		22,29,768		18,24,675
other loans and advances	26,55,376	4,13,66,249	2,87,15,832	3,81,80,582
	<b>9,92,92,999</b>	<b>13,22,70,173</b>	<b>3,59,89,755</b>	<b>13,38,17,334</b>
<b>Total</b>	<b>1,32,29,437</b>	<b>13,72,26,015</b>	<b>4,14,71,875</b>	<b>14,76,08,280</b>

NOTE NO: 14-INVENTORIES

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>(Valued at cost or NRV unless otherwise stated)</b>		
Finished Goods	2,20,06,714	2,09,73,087
WIP	5,79,426	-
Traded Goods	6,71,11,402	12,58,57,777
Raw Material (Stock in Transit: 74,50,276 Rs )	11,02,88,290	4,19,24,811
Real Estate inventory	1,88,94,043	1,88,94,043
<b>Total</b>	<b>21,88,79,875</b>	<b>20,76,49,718</b>

NOTE NO : 15 - TRADE RECEIVABLES

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Exceeding six months</b>		
Secured, Considered good	6,18,96,412	3,80,62,310
<b>Total</b>	<b>6,18,96,412</b>	<b>3,80,62,310</b>
<b>Less than six months</b>		
Secured, Considered good	33,96,97,100	27,00,19,566
<b>Total</b>	<b>33,96,97,100</b>	<b>27,00,19,566</b>
<b>Total</b>	<b>40,15,93,512</b>	<b>30,80,81,876</b>

NOTE NO : 16 - CASH AND CASH EQUIVALENTS

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Balance with banks</b>		
Balance scheduled banks current account	51,92,387	5,92,968
Balance other banks deposit account	-	-
	<b>51,92,387</b>	<b>5,92,968</b>
<b>Cash in hand</b>		
Cash in hand	44,75,359	23,81,130
	<b>44,75,359</b>	<b>23,81,130</b>
<b>Other</b>		
Unpaid dividend account	2,24,189	5,031
	<b>2,24,189</b>	<b>5,031</b>
<b>Total</b>	<b>98,91,935</b>	<b>29,79,129</b>

NOTE NO : 17 - OTHER CURRENT ASSETS

₹ in rupees

Particulars	31st March 2012	31st March 2011
Miscellaneous expenditure not written off		
Other miscellaneous expenditure not written off	1,23,876	3,91,661
<b>Total</b>	<b>1,23,876</b>	<b>3,91,661</b>

NOTE NO. 18 - REVENUE FROM OPERATIONS

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Sale of products</b>	<b>1,65,25,47,775</b>	<b>1,21,96,97,225</b>
<b>Other operating revenues</b>		
Revenue franchise	2,03,79,363	1,72,04,464
Other operating revenues	3,52,50,928	57,45,696
	<b>5,56,30,291</b>	<b>2,29,50,160</b>
<b>Gross revenue from operations</b>	<b>1,70,81,78,066</b>	<b>1,24,26,47,385</b>

NOTE NO. 19 - OTHER INCOME

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Interest Income</b>	<b>19,38,797</b>	<b>7,53,105</b>
<b>Other non-operating income</b>		
Profit on disposal of tangible fixed assets	3,39,19,015	9,94,035
Export incentives	1,48,29,254	97,13,843
Foreign exchange difference income	-	52,67,928
Rent on Investment Properties	2,97,437	-
Excess provisions written back	-	1,00,000
Other receipts	65,49,693	41,70,044
	<b>5,55,95,399</b>	<b>2,02,45,850</b>
<b>Total</b>	<b>5,84,34,196</b>	<b>2,09,98,955</b>

NOTE NO. 20 COST OF MATERIAL CONSUMED

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Inventory at the beginning</b>		
Raw Material	6,77,34,176	4,07,45,211
	<b>6,77,34,176</b>	<b>4,07,45,211</b>
<b>Add: Purchase</b>		
Raw Material	60,48,90,004	38,45,76,381
	<b>60,48,90,004</b>	<b>38,45,76,381</b>
<b>Add/Less :Other Adjustment</b>		
Raw Material	-	-
	-	-
<b>Less:-Inventory at the end</b>		
Raw Material	12,54,24,154	6,77,34,176
	<b>12,54,24,154</b>	<b>6,77,34,176</b>
<b>Total</b>	<b>54,72,00,026</b>	<b>35,75,87,416</b>

Note No 20

Cost of Material Consumed

Items	Opening Balance	Purchases	Closing Balance	Consumption
Tin Alloy	6,04,158	4,09,41,873	64,59,120	3,50,86,911
Ethylhexyl Thioglycolate	14,96,645	1,92,89,144	54,31,628	1,53,54,160
Tinmate - 201	1,02,69,433	5,90,71,310	45,53,433	6,47,87,310
PVC Compound	29,85,935	5,82,81,657	33,41,754	5,79,25,838
TPR Compound	71,28,934	11,81,61,875	39,65,630	12,13,25,178
N-Oil	22,90,342	1,38,52,860	12,36,673	1,49,06,529
Polystrene	30,75,500	74,56,539	-	1,05,32,039
Styrene Butadiene Styrene	2,42,70,157	7,85,23,135	12,63,150	10,15,30,142
Hydrogen Peroxide	24,57,565	52,89,177	1,43,670	76,03,072
LLDPE Innoplus	37,15,224	33,04,414	-	70,19,638
Refined Soyabean Oil	14,53,540	4,53,71,406	8,12,004	4,60,12,942
Others	79,86,745	15,53,46,614	9,82,17,091	6,51,16,268
<b>Grand Total</b>	<b>6,77,34,176</b>	<b>60,48,90,004</b>	<b>12,54,24,154</b>	<b>54,72,00,026</b>

Details of material consumed

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Raw Material</b>		
Consumption raw material	54,72,00,026	35,75,87,417
<b>Total</b>	<b>54,72,00,026</b>	<b>35,75,87,417</b>

Details of inventory

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Raw Material</b>		
Consumption raw material	60,48,90,004	38,45,76,382
<b>Total</b>	<b>60,48,90,004</b>	<b>38,45,76,382</b>

NOTE NO. 21 PURCHASE OF STOCK-IN-TRADE

₹ in rupees

Particulars	31st March 2012	31st March 2011
Purchase of traded goods	76,15,37,264	66,90,59,747
<b>Total</b>	<b>76,15,37,264</b>	<b>66,90,59,747</b>

NOTE NO:22 - CHANGES IN INVENTORIES

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Inventory at the end of the year</b>		
Traded Goods	6,71,11,402	13,93,36,467
	<b>6,71,11,402</b>	<b>13,93,36,467</b>
<b>Inventory at the beginning of the year</b>		
Traded Goods	13,93,36,467	6,71,35,087
	<b>13,93,36,467</b>	<b>6,71,35,087</b>
<b>(Increase)/decrease in inventories</b>		
Traded Goods	7,22,25,065	(7,22,01,380)
	<b>7,22,25,065</b>	<b>(7,22,01,380)</b>

NOTE NO. 23 - EMPLOYEE BENEFIT EXPENSES

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Salaries and Wages</b>		
Salary and wages	23,74,08,454	1,84,51,037
	<b>23,74,08,454</b>	<b>1,84,51,037</b>
<b>Contribution to provident and other fund</b>		
Provident fund	4,12,033	3,27,073
	<b>4,12,033</b>	<b>3,27,073</b>
<b>Staff welfare Expenses</b>		
Staff Welfare Expenses	11,85,164	9,79,275
Other Employee Related Expenses	8,500	
	<b>11,93,664</b>	<b>9,79,275</b>
<b>Total</b>	<b>2,53,46,542</b>	<b>197,57,385</b>

NOTE NO. 24 - FINANCE COSTS

₹ in rupees

Particulars	31st March 2012	31st March 2011
<b>Bank Charges</b>		
Interest on long-term loans from banks	70,96,501	36,43,594
Interest on other borrowings	3,91,21,264	2,95,05,308
	<b>4,62,17,765</b>	<b>3,31,48,902</b>
<b>Other Borrowing costs</b>		
Other financing charges	79,08,076	18,92,785
	<b>79,08,076</b>	<b>18,92,785</b>
<b>Total</b>	<b>5,41,25,841</b>	<b>3,50,41,687</b>

NOTE NO. 25 - DEPRECIATION AND AMORTIZATION EXPENSES

₹ in rupees

Particulars	31st March 2012	31st March 2011
Depreciation on tangible assets	1,89,24,165	1,15,59,742
Amortization of Goodwill	5,84,293	5,84,293
<b>Total</b>	<b>1,95,08,458</b>	<b>1,21,44,035</b>

NOTE NO. 26 - OTHER EXPENSES

₹ in rupees

Particulars	31st March 2012	31st March 2011
Custom duty	3,79,90,328	4,77,66,212
Freight	1,74,98,272	1,63,93,024
Loading and unloading expenses	19,48,040	23,33,732
Power and fuel	1,01,59,095	76,22,037
Demurrage and inland haulage charges	99,78,422	1,12,39,055
Net loss on foreign currency transaction	92,00,528	-
Other selling and distribution expenses	44,70,883	58,51,746
Consumption of stores and spare parts	8,49,502	1,65,597
Legal and professional expenses	35,29,621	36,97,512
Conveyance expenses	33,43,836	42,69,035
Advertising expenses	51,44,192	14,20,661
Rent	1,287,000	11,18,200
Communication connectivity expenses	15,99,501	28,62,431
Vehicle running expenses	11,31,816	5,20,430
Repairs and maintenance of plant and machinery	22,99,022	2,72,032
Repairs and maintenance expenses	25,16,102	12,40,686
Safety and security expenses	14,46,940	9,31,753
Rates and taxes	7,93,973	35,000
Insurance expenses	10,45,457	8,23,623
Printing and stationery	6,20,495	4,89,998
Directors sitting fees	1,60,000	1,56,794
Auditor Remuneration	3,73,917	2,72,210
Commission paid to other selling agents	3,00,000	1,62,505
Other expenditure	32,28,384	20,07,847
Other miscellaneous expenditure written off	2,67,785	2,73,145
Other interest	4,14,379	1,25,253
<b>Total</b>	<b>12,15,97,490</b>	<b>11,20,50,518</b>



## VIKAS GLOBALONE LIMITED

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

### FORM OF PROXY

L.F. NO. ....

D. P. ID\* .....

Client ID\* .....

I/We.....of.....

..... being a member/members of Vikas GlobalOne Limited hereby appoint  
 ..... of.....or failing him/her  
 ..... of ..... as my/our Proxy to attend and vote  
 for me/us on my/our behalf at the 27th Annual General Meeting of the Company, to be held at 11:30 A.M on 27th  
 September, 2012 and any adjournment thereof.

Signed this.....day of.....2012.

Revenue  
Stamp

(Signature of the Share Holder)

Note: the proxy form completed and stamped must reach the Registered Office of the company not less than 48 hours before the time for holding the aforesaid meeting.

\*Applicable for investors holding shares in electronic form.

## VIKAS GLOBALONE LIMITED

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

### ATTENDANCE SLIP

L.F. NO. ....

D. P. ID\* .....

Client ID\* .....

NAME	FATHER'S / HUSBAND	NAMESIGNATURE

- Note:
- Attendance slip not filled in properly will not be entertained.
  - All joint holders should use only one slip.
  - Bags/briefcases are not allowed inside the venue and the Company shall not be responsible for the loss of the same.
- \* Applicable for investors holding shares in electronic form.