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29th Annual Report

For the period ended
March 31, 2014

Vikas Global One Ltd.

(India's Fastest Growing Company in Additives and Compounds)



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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Vikas Garg	Managing Director
Mr. Vivek Garg	Whole Time Director
Mr. Purushottam Dass Bhoot	Director
Mr. Pradip Kumar Banerji	Director
Mr. Jagdish Capoor	Director
Mr. Sumer Chand Tayal	Director
Mr. Manoj Singhal	Director
Mr. Ashutosh Verma	Additional Director
Mr. Narender Kumar Garg	Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Sunil Malik

STATUTORY AUDITORS

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

INTERNAL AUDITORS

M/s. KSMS & Associates, G-5, Vikas House, 34/1, East Punjabi Bagh, New Delhi -110026

COST AUDITORS

M/s. C.B Gupta & Associates, G-23/6A, Third Floor, Rajouri Garden, New Delhi -110027

BANKERS

Oriental Bank of Commerce & Bank of Baroda

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: investor@vikasglobal.in, Website: www.vikasglobal.in

MANUFACTURING PLANTS

JAMMU & KASHMIR RAJASTHAN

Industrial Growth Centre,	G-24-30, Vigyan Nagar,
Phase-I, SIDCO Complex	RIICO Industrial Area, Shahjahanpur,
Dist. Samba-184121	Dist, Alwar-301706
Jammu & Kashmir	Rajasthan

BOARD COMMITTEES & ITS COMPOSITION

AUDIT COMMITTEE

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

EXECUTIVE COMMITTEE

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

STAKEHOLDERS RELATIONSHIP 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

NOMINATION AND REMUNERATION COMMITTEE

Mr. Narender Kumar Garg	Chairman
Mr. Pradip Kumar Banerji	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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

NOTICE

Notice is hereby given that the 29th (TWENTY NINTH) Annual General Meeting of VIKAS GLOBALONE LIMITED will be held on Monday, the 29th day of September 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 2014, 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 2014.
3. To appoint a Director in place of Mr. Vivek Garg (DIN: 00255443) who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Purushottam Dass Bhoot (DIN: 00094087) who retires by rotation, and being eligible, offers himself for re-appointment for the period of five years from the date of ensuing General Meeting.
5. To appoint the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 2nd consecutive Annual General Meeting
Subject to ratification of the appointment by the members at every Annual General Meeting held after this 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 (Registration No. 003013N), be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 2nd consecutive Annual General Meeting.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to decide and finalize the terms and condition of appointment and the remuneration of the Auditors.”

Special Business:

6. **Appointment of Mr. Ashutosh Verma 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. **Ashutosh Kumar Verma** who was appointed by the Board of Directors as Additional Director with effect from 6th August, 2014 and who holds office upto the date of this Annual General Meeting of the Company, in terms of Section 161 of the Companies Act 2013, and in respect of whom the company has received a notice in writing from the member under section 160 of the Companies Act, 2013 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 of the company and Mr. Sunil Malik, Company Secretary of the company, be and are hereby authorized, 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**

Sd/-

**Vikas Garg
Managing Director**

**Place: New Delhi
Date: 6th August 2014**

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. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.**
- b. The Register of Members and Share Transfer Books of the Company will be closed from 23rd Day of September, 2014 to 29th Day of September, 2014 (both days inclusive).
- c. Corporate Members intending to send their authorised representatives are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the ensuing Annual General Meeting so as to reach the company on or before 23rd Day of September, 2014.
- d. In accordance with the provision of Article of Association read with Section 152 of the Companies Act 2013, Mr. Vivek Garg and Mr. Purushottam Dass Bhoot retire by rotation at this Annual General Meeting, being eligible, offer them for re-appointment.
- e. Brief resume of all including those proposed to be re-appointed, nature of their expertise in specific functional area, names of companies in which they hold directorship and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges in India in the Report on Corporate Governance forming part of the Annual Report.
- f. The Certificate from the Auditors of the Company certifying that the Company's Employee Stock Options Scheme, 2011 is being implemented in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and in accordance with the resolutions of the Members in the General Meeting, will be available for the inspection by the Members at the Annual General Meeting.
- g. Members are requested to note that the dividend not claimed within seven years from the date of declaration shall, as per section 205A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund (IEPF). Members are requested to contact/s Alankit Assignment Limited/Secretarial Department of the company for claiming the unclaimed dividend standing to the credit of their account.
- h. Members are requested to bring their admission slips along with a copy of the Annual Report to the Annual General Meeting.
- i. 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 29th Day of September, 2014 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 22nd Day of September, 2014.
 - 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 22nd Day of September, 2014.
- j. 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.
- k. (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.
- l. 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.
 - m. 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.
 - n. 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 11:00 A.M to 1:00 P.M upto the date of Annual General Meeting.
 - o. Members are requested to promptly notify to the Company any change in their addresses.
 - p. 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.
 - q. 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 2014-15.
 - r. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of business under Item no. 6 set out above and details under Clause 49 of the Listing Agreement of the Stock Exchanges.

In view of the “Green Initiative” announced by Ministry of Corporate Affairs and circular issued by the Securities and Exchange Board of India (SEBI), the Company will send all correspondence like General Meeting Notices, Annual Reports and any other communications in future (hereinafter referred as “documents”) in electronic form, in lieu of physical form, to all those shareholders, whose email address is registered with Depository participant (DP)/ Registrar and Share Transfer Agent (RTA)[herein after ‘registered e-mail address’for servicing documents including those covered under section 219 of the Companies Act, 1956 [the Act] read with section 53 of the Act and Clause 32 of the Listing agreement executed with the Stock Exchange.

Members holding equity shares in physical form are requested to update/ register their e-mail addresses with the Company by sending a mail to investor@vikasglobal.in mentioning their name and folio number.

**EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)**

As required under Section 102 of the Companies Act, 2013, the following explanatory statement sets out the matter in relation to Item No. 6 of the accompanying notice dated 14th August 2013

ITEM NO. 6

APPOINTMENT OF MR. ASHUTOSH VERMA AS DIRECTOR OF THE COMPANY

The Board of Directors at its Meeting held on 6th August, 2014 appointed Mr. Ashutosh Verma as an Additional Director, pursuant to Section 161 of the Companies Act, 2013. Mr. Ashutosh Verma 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 160 of the Companies Act, 2013, proposing appointment of Mr. Ashutosh Verma, as Director of the Company.

Mr. Ashutosh Verma has a vast experience of over 34 years in the field of Plastics Raw Material and Polymer Compounds. He spearhead into the Business Development and technical support to the customers of VGL. His experience in the field of sales, marketing, business development, technical services, sourcing of raw material, machinery and R&D had helped company to cross several milestone in the journey towards being a truly world class organization and has registered a exponential growth and consistently making profits.

He had widely travelled within India, Europe (France, Germany, Italy, Austria), US and Asia (Thailand, Singapore, Malaysia, China, Taiwan, Korea, Japan, Hong Kong, Bangladesh) in connection with business, developments and technical Seminars.

Before joining the company he was previously being associated with various renowned corporate like KLJ Polymers and Chemicals Ltd. , Mulibase India Ltd., Sperry Plast Ltd. and Polychem Ltd.

He had dedicated his 20 years to compounding industry covering all aspects of running the industry like production, purchase, sales/marketing, technical services, R&D and business developments. His significant contribution results in 300-400% growth in last 3 organizations he had worked for in this field.

ANNEXURE

Pursuant to Clause 49 (IV) (G) of the Listing Agreement of Stock Exchanges, the following information is furnished in respect of the directors proposed to be appointed/re-appointed.

Mr. **Vivek Garg** was inducted earlier as the member of the Board of Directors in July, 2008. Since joining the company he has contributed his knowledge and experience for promoting and strengthening the business position of the company. He was re-appointed as executive Director of the Company with effect from June, 2009

Name of Director		VIVEK GARG	
Date of Birth	26-11-1974	Date of Appointment	25-07-2008
Specialized Expertise	Enriched experience in the field of Chemical and Petroleum Products. He also contributes in the financial and strategic decision making leading the company to reach the new heights. He is also very active in field of education.		
Qualifications	Commerce Graduate.		
Directorship of other Companies as at 31 st March, 2014	Triveni Bhoomi Vikas Pvt. Ltd. Maharaja Agarsen Academy Pvt. Ltd. AG Agrotech & Power Pvt. Ltd. Pride Buildtech Pvt. Ltd. Vikas Polymerland Pvt. Ltd. Vikas Surya Buildwell Pvt. Ltd.		
Chairmanship/ Membership as at 31 st March, 2014 in the Vikas GlobalOne Limited	Whole Time Director		
No. of shares held in the Company as on 31 st March, 2014 in the Vikas GlobalOne Limited	428620		

Mr. **Purushottam Dass Bhoot** is being associated with the company since July, 1994 and is being on the Board of Directors as Independent & Non-Executive Director of the company. He is a 85 years Law Graduate and Company Secretary.

Name of Director		PURUSHOTTAM DAS BHOOT	
Date of Birth	01-03-1929	Date of Appointment	20-07-1994
Specialized Expertise	He has 50 years of Experience in handling legal and secretarial Assignments during his long stint with various big houses. He is also on the board of Bhatkawa Tea Industries Ltd. & the member of the audit Committee of our company.		
Qualifications	Company Secretary and Law Graduate.		
Directorship of other Companies as at 31 st March, 2014	Bhatkawa Tea Industries Ltd		
Chairmanship/ Membership as at 31 st March, 2014 in the Vikas GlobalOne Limited	Non Executive Independent Director		
No. of shares held in the Company as on 31 st March, 2014 in the Vikas GlobalOne Limited	6000		

Mr. **Ashutosh Verma** appointed as an Additional Director, pursuant to Section 161 of the Companies Act, 2013 and will hold office upto the date of forthcoming Annual General Meeting and is being eligible for appointment as a Director. Since joining the company he has contributed his knowledge and experience for promoting and strengthening the business position of the company.

Name of Director		ASHUTOSH VERMA	
Date of Birth	02-03-1959	Date of Appointment	06-08-2014
Specialized Expertise		Enriched experience in the field of Polymer Division of the Company. His wide spectrum of experience in varied fields helps the company in planning, direction and management. In view of the background and vast experience, the Board considers his association as a director will be beneficial to and in the interest of the company.	
Qualifications		B.Sc	
Directorship of other Companies as at 31 st March, 2014		N.A	
Chairmanship/ Membership as at 31 st March, 2014 in the Vikas GlobalOne Limited		N.A	
No. of shares held in the Company as on 31 st March, 2014 in the Vikas GlobalOne Limited		30,000	

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

Sd/-

**Vikas Garg
Managing Director**

**Place: New Delhi
Date: 6th August 2014**

DIRECTOR'S REPORT

To
The Members,
Vikas GlobalOne Limited

Your Directors have pleasure in presenting the 29th (Twenty Ninth) Annual Report of your Company and Audited Statement of Accounts for the year ended 31st March, 2014.

FINANCIAL HIGHLIGHTS:

The Company's financial performance, for the year ended March 31, 2014 is summarized below :-

(Rupees in Lacs)

Particulars	Vikas GlobalOne Limited (Standalone)		Vikas GlobalOne Limited (Consolidated)	
	2013-2014	2012-2013	2013-2014	2012-2013
Gross Income	17,159.09	15,808.07	25,284.17	25,418.38
Gross Expenditure	16,705.53	15,514.92	24,725.18	25,005.27
Share of Profit from Partnership firm/Minority Interest	31.85	58.67	(10.62)	(19.56)
Prior Period adjustments (net)	(78.82)	(0.26)	(79.00)	(0.58)
Net Profit before Tax	406.58	351.56	469.37	392.98
Provision for Taxation	(49.16)	(5.65)	77.04	(21.57)
Provision for Deferred Tax	(1.18)	(5.38)	(1.80)	(6.20)
Mat Credit Availed	(27.81)	0	(27.81)	0
Provision for Taxation (earlier years)	4.03	1.75	(1.28)	1.64
Net Profit after Tax	332.46	342.28	361.44	366.85
Balance brought forward from previous year	1,972.21	1,688.64	2,051.07	1742.93
Profits available for appropriation	2,304.67	2,030.92	2,412.91	2,109.78
Proposed Dividend	(50.85)	(50.51)	50.85	(50.51)
Provision for Dividend Distribution Tax	(8.64)	(8.20)	8.64	(8.20)
Profits carried to Balance Sheet	2,245.18	1,972.21	2,353.02	2,051.07

FINANCIAL REVIEW:

The Company showed improvement in nearly all the spheres it operates in.

Turnover of the company for the Financial Year ended on 31st March 2014 was 16,923 Lacs as compared to Rs. 15,679 Lacs for the Financial Year ended on 31st March 2013 registering a growth of around 8 percent whereas the PAT was Rs. 342 Lacs for the FY 2012-13 as compared to Rs. 332 Lacs for the FY 2013-14. The decrease in the profitability was due to following reason:-

The company was availing exemption under Minimum Alternative Tax benefits in the state of Jammu and Kashmir which were withdrawn by the government during the current financial year. This has affected both the revenue and profitability of the company.

Further we would like to bring in your kind notice that FY 13-14 was very turbulent for overall economy. Even then also company has maintained its trend of growth both in terms of Revenue and Profit. Thus

keeping in view the stabilizing economy and some prudent measures taken by the management, the company is expecting good results in the upcoming Financial Year 2014-15.

Further the exports of the company have registered an overall growth of 53 percent which is Rs. 2900.40 Lacs in the Financial Year 2013-14 as compared to Rs. 1937.06 Lacs in the previous Financial Year 2012-13.

TRANSFER TO RESERVES

The Company proposes to transfer Rs. 272.97 Lacs to the general reserve out of the amount available for appropriation and an amount of Rs. 2245.17 Lacs is proposed to be retained for future purpose.

DIVIDEND:

Based on the Company performance, your Directors are pleased to recommend for the approval of the members a final dividend of Rs. 0.05 (5%) per equity share of face value of Rs. 1 each for the year ended 31 March, 2014, which will absorb Rs. 59.48 Lacs inclusive of Dividend Distribution Tax amounting to Rs. 8.64 Lacs.

The final dividend, if approved, will be paid to the members within the period stipulated by the Companies Act, 2013, through either of ECS (preferably), NEFT, dividend warrants, bankers' cheques.

DIRECTORS:

In terms of Article 86 of Articles of Associations of the Company and pursuant to section 152 of the Companies Act, 2013, Mr. Vivek Garg (DIN: 00255443) and Mr. Purushottam Dass Bhoot (DIN: 00094087) who retires at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment in terms of the provisions of the Articles of Association of the Company. The Board of Directors recommended their re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement.

The Companies Act, 2013 provides for appointment of Independent Directors. Sub-section (10) of Section 149 of the Companies Act, 2013 (effective from 01.04.2014) provides that Independent Directors shall hold office for a term up to five consecutive years on the Board of a Company; and shall be eligible for re-appointment on passing a special resolution by the shareholders of the Company. Sub-section (11) states that no Independent director shall be eligible for more than two consecutive terms of five years. Sub-section (13) states that the provisions of retirement by rotation as defined in sub section (6) and (7) of section 152 of the Act shall not apply to such Independent Directors.

Our Non-executive Independent Directors were appointed as directors liable to retire by rotation under the provisions of the erstwhile Companies Act, 1956. The Board of Directors has been advised that the Non- executive Independent Directors so appointed would continue to serve the term that was ascertained at the time of appointment as per the resolution pursuant to which they were appointed. Therefore it stands to reason that only those Non-Executive Independent Directors who will complete their present term at the ensuing AGM of the Company in 29th September, 2014, being eligible and

seeking re-appointment, be considered by the shareholders for re-appointment for a term up to five consecutive years.

Non- executive Independent Directors who do not complete their term at the ensuing Annual General Meeting, will continue to hold office till the expiry of their term (based on retirement period calculation) and thereafter would be eligible for re-appointment for a fixed term in accordance with the Companies Act, 2013.

Brief profile of the Directors who are to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold the membership of the Board of Directors or committee thereof, chairmanship of the Board, their shareholding etc. as stipulated under Clause 49 of the Listing Agreement, are furnished in the notice of the ensuing Annual General Meeting and in the relevant section on Corporate Governance in the Annual Report elsewhere.

CORPORATE GOVERNANCE:

The Company believes that the essence of the Corporate Governance lies in the phrase “Your Company”. It is “Your” company because it belongs to you- ‘the Shareholders ‘. The Chairpersons and Directors are “Your” fiduciaries and trustees. Their Objective is to take the business forward in such a way that it maximizes “Your” long term value. Your Company is committed to benchmark itself global standards in all the areas including highest standard of Good Corporate Governance. Besides adhering to the prescribed Corporate Governance practices 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.

A Certificate from Practicing Company Secretary regarding compliance of the conditions of the Corporate Governance, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange, is attached in the Corporate Governance Report and form part of this report.

Certificate of the Managing Director, 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.

CODE OF CONDUCT

The Board has laid down a Code of Conduct for all the Board Members and Senior Management of the Company and have affirmed compliance with the Code and a separate declaration to this effect is annexed to the Corporate Governance Report.

FIXED DEPOSITS

During the year under review, the Company has not accepted any deposit under Section 58A and section 58AA of the Companies Act, 1956 read with Companies (Acceptance of Deposits) rules, 1975.

CREDIT RATINGS:

Brick Works Ratings:

During the year under review Brickwork Ratings India Private Limited , A SEBI, RBI & NSIC registered credit rating agency in India, has assigned credit rating BWR BB+ (BWR Double B plus) for Long-term

bank facilities and the Outlook of which is Stable regarding timely servicing of financial obligations and BWR A4+ (BWR A Four Plus) for Short-term bank facilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

EMPLOYEES' STOCK OPTION SCHEME (ESOPS)

Pursuant to the Special Resolution passed by the Members at the Annual General Meeting held on 27th September, 2011 where the authorization granted to the Compensation Committee for the issue and allotment of Equity shares of the company under Employee Stock Option Scheme (ESOPS) and subject to the in principle approval from the Stock Exchanges, your company has implemented an Employee Stock Option Scheme to reward the Employees of the Company for their performance and association with the Company and also to motivate them to contribute to the growth and profitability of the Company.

In the Financial Year 2013-14 company allotted 6,56,500 equity shares of face value of Rs. 1/- each to the eligible employees and Independent Directors which were allotted to them on 31st March, 2014, subject to the approval from the Compensation Committee.

DIRECTOR'S RESPONSIBILITY STATEMENT:

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

1. That in the preparation of Annual Accounts the applicable accounting standards have 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 on a going concern basis.

CAPITAL STRUCTURE:

Paid-up Share Capital – In the previous year 2012-2013 the Paid-up Share Capital of the Company stood at Rs. 10,10,39,370 comprising 1,01,03,937 Nos. of Equity Shares of Rs. 10 each and during the current financial year 2013-14 there is an increase in the Paid-up share Capital of Rs. 6,56,000 on account of issue of Shares under ESOS and now the Paid-up share capital stands at Rs. 10,16,95,870 comprising 10,16,95,870 Nos. of Equity Shares of Rs. 1 each.

SUB-DIVISION (STOCK SPLIT) OF EQUITY SHARES OF THE COMPANY

In order to improve the liquidity of the Company's shares at the Stock Exchanges with higher floating stock in absolute numbers and to make it more affordable for the small retail investors having interest to able to invest in the company's equity shares there was a sub-division (stock split) of Equity Shares of Rs. 10/- each stands sub-divided into 10 (Ten) Equity Shares of Rs. 1/- each by the approval of the shareholders by passing an ordinary resolution at the EGM conducted on 15th March, 2014.

LIST OF PENDING LEGAL CASES

1. Vikas Global One Ltd Vs ADM Agro Industries Kota and Akola Private Limited

Civil Suit - CS OS No.198/2014 in High Court of Delhi
Suit filed on ADM Agro for the recovery of Rs. 99,61,516/-

2. ADM Agro Industries Kota and Akola Private Limited Vs Vikas Global One Ltd

Winding up Petition – CO PET No. 64/2014
ADM Agro filed suit for winding up of the company.

LISTING OF SECURITIES:

The company is listed at National Stock Exchange (NSE), Bombay Stock Exchange (BSE), and Delhi Stock Exchange (DSE) and actively traded. The Annual Listing Fee including service tax for the financial year 2014-15 has been paid to all of the Stock Exchanges.

STATUTORY AUDITORS AND THEIR REPORT:

M/s RSPH & Associates, Chartered Accountants (Registration No. 003013N), 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 2014-15. 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 139 of the Companies Act, 2013 and they are not disqualified for such re-appointment within the meaning of the Section 141 of the Companies Act, 2013.

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, 2014 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 (Registration No.003565N), 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.

The Company has a rigorous business planning system to set targets and parameters for operations which are reviewed with actual performance to ensure timely initiation of corrective action, if required.

COST AUDITORS

The Company has appointed M/s Niraj Kumar Vishwakarma & Associates (Firm Regn. No. 101683), Cost Accountants for conducting Cost Audit for the financial year 2014-15 under the provisions of section 139 of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under section 141 read with section 139 and 148 of the Companies Act, 2013. The Audit Committee has also received a Certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company.

HUMAN RESOURCES

Your Directors would like to place on record their appreciation of all the employees for rendering quality services and to every constituent of the Company be its members, producers, regulatory agencies, creditors or shareholders. The unstinting efforts of the employees have enabled your company to remain in the forefront of Polymers and Chemicals business.

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.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE:

As required in terms of section 217(1)(e) of the Companies Act, 1956 read with 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.

MAJOR HIGHLIGHTS OF THE YEAR

INCREASE IN EXPORTS

- **The exposure to the global markets is extending continuously;**
 - Marked by the Y2Y growth of
 - 75 %** in exports comparing FY 2010-11 & 2011-2012.
 - 583 %** in exports comparing FY 2011-12 & 2012-2013.
 - 53 %** in exports comparing FY 2012-13 & 2013-2014.

- VGL is recognized as “Export House” by the Directorate General of Foreign Trade , Government of India.
- VGL is poised to achieve the status of “Star Export House” during the current Financial Year.
- Member of “Federation of Indian Exports Organizations” (FIEO), “Confederation of Indian Industry” (CII) and “The Plastics Export promotion Council” (PEPC).

GEOGRAHICALLY EXPANSION :

The company is contemplating to start new office at Dubai & Singapore:

➤ **Dubai**

VGL has started an office at UAE, located in Dubai, to cater to the needs of mid-sized consumers in the global market. VGL plans to start a warehouse facility soon in the Free Trade Zone, to facilitate smaller shipments & prompt deliveries increasing its reach & profit margin by being able to cater to the consumers directly.

It shall also help developing newer markets conveniently being located in the global distribution hub that's UAE.

➤ **Singapore**

Following the line of action taken at UAE, VGL plans to have an office & warehouse at Singapore very soon, facilitating reach to newer markets in the South East Region.

ADDITION OF NEW PRODUCTS AND STRENGTHENING EXISTING INFRASTRUCTURE

Apart from the focus on the Global Market Place, to supplement the aggressive growth plans, the company is adding new products, manufacturing facilities & strengthening the existing infrastructure to support the growth planned in the existing products & business.

AGREEMENT WITH QUIMIDROGA:

Vikas GlobalOne Limited is pleased to announce that it has entered into a Memorandum of Understanding with Quimidroga S.A. for distribution of Company's specialty polymer compounds and additives in Western Europe Set up in Spain in 1944, Quimidroga S.A. has been ranked 7th among top 100 Chemical Distributers as per the survey of ICIS Chemical Business 163.

Quimidroga S.A. distributes a wide range of chemical products from industrial ones or commodities to specialities with a high level of sophistication. By joining hands with Quimidroga, the company shall gain access to Quimidroga's wide network of customers, access to industry specifications, modern logistics centers at right, locations and long term commitment in business which shall contribute in fast development of market in Western Europe for company's products. This Memorandum of Understanding between the company and Quimidroga will help company to earn more foreign exchange in terms of Export Sales Revenue with higher margins. It is expected to generate additional revenue and incremental net profit.

Quimidroga distinctive characteristics which include long term partnership with leading suppliers, Industry Specification, Regional Presence, Enhanced Product Mix (Speciality & Commodity), Modern Logistic center at right locations, Long Term Commitment in business would contribute in fast development of the company product in the West European market with Brand Building and customer loyalty. This Memorandum of understanding between the company and Quimidroga will help company to earn more foreign exchange in terms of Export Sales Revenue with high margin. This would help company to widen its operational areas and increase its share of market in the Western Europe.

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**

Sd/-
Vikas Garg
Managing Director

Place: New Delhi
Date: 6th August 2014

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OVERVIEW & GROWTH

The Management of VIKAS GLOBALONE LIMITED is pleased to present its report on Management Discussions and Analysis. The core business of the Company is in manufacturing and distribution of Specialty Polymers Compounds and Additives, while alongside acting as a distributor of global conglomerates with niche in specialty chemicals and polymers. This report contains the expectations of the Company's business based on the current market environment. It was a challenging year for the Indian economy with persistent concerns over global growth prospects and financial stability weighing on external demand and international funding.

The global economy is expected to improve gradually with improvement in US economic environment, moderate growth of other emerging market economies like India, China and Brazil and revival in Euro zone and Japan. As per the International Monetary Fund's (IMF) 'World Economic Outlook' published in April 2013, global economic growth is progressing to 3.3% in 2013 compared to 3% in 2012. However, the stability and growth prospectus of US economy resulted in flow of money from emerging markets to US and other developed markets which led to sharp depreciation of emerging market's currencies against USD particularly India which largely depends on import of Petroleum and Petrochemical products. This has made managing current account deficit a challenge for policy makers.

There is no doubt that the Company has achieved its business targets every year due to the dedicated efforts of the Human Resources of the Company. This year is no exception. Employer-Employee relations continued to be cordial throughout the year. The Company has an existing system of regular interaction between its senior management and operators at the shop floor level which enables sharing of business information and solutions to the problems at the preliminary level.

Legal and commercial procedures have been actively disseminated throughout the Company. A legal compliance management system has been developed to track regulatory compliance requirements. It has been successful in identifying areas which require immediate legal attention and has reduced instances of non compliance.

INDUSTRY STRUCTURE AND DEVELOPMENT

We are a global manufacturer and supplier of Chemicals and Polymer Compounds. We have two manufacturing sites, one at Rajasthan and the other at Jammu & Kashmir. We have our locations equipped with advanced equipments and analytical instruments. We have an excellent team of technical and commercial professionals with expertise in chemicals manufacture and marketing. We cater to both domestic and international market. We have competition both from local producers and international producers.

OPPORTUNITIES AND THREATS

Your Company has the advantage of having a product range covering a broad spectrum of applications.

Your Company continues to invest in upgradation and expansion of its manufacturing capacities. The in-house R&D Department has been consistently developing quality products and is also striving for achieving cost efficiencies.

The industries in which our products have application like Automobile, Leather, Footwear, Organic Chemicals, Polymers, Pharmaceuticals, Packaging Industries etc are growing at a reasonable pace and we have a fair chance of improving our position as a reliable supplier of good quality chemicals to these industries. Our Core Competence in chemical handling and manufacturing supported by an able technical team, should provide a lot of opportunities and scope to the company to improve its performance. We enjoy leadership position in some of the products in domestic market, driven by strong in house technology, diversified product portfolio and customer base. Our R&D Centre is enabling us to add new products to our product portfolio which will add to our contribution.

The commodity nature of some of our products make them susceptible to fluctuations in raw material prices and exchange rates. The company is vulnerable to External price volatility. Domestic prices are dependent on the cyclicity of the industry and Government policy for its use in oil sector. Other petroleum based raw materials are subject to International policy and price fluctuation.

Being a global player, we are also exposed to competition not only from domestic players but also large international players. Cheap imports especially from countries like China could pose problems, which would have to be faced by consistency in quality of the products and improving production efficiencies.

RISKS AND CONCERNS

The Company has a risk management policy, which from time to time, is reviewed by the Audit Committee of as well as by the Board of Directors. The Policy is reviewed quarterly by assessing the threats and opportunities that will impact the objectives set for the Company as a whole. The Policy is designed to provide the categorization of risk into threat and its cause, impact, treatment and control measures. As part of the Risk Management policy, the relevant parameters for all manufacturing sites are analyzed to minimize risk associated with protection of environment, safety of operations and health of people at work and monitored regularly with reference to statutory regulations and guidelines defined by the Company. The Company fulfills its legal requirements concerning emission, waste water and waste disposal. Improving work place safety continued to be top priority at all manufacturing sites.

OUTLOOK

For the year 2014-15, our focus will continue on sustainable growth by taking measures for increasing our market share of existing products, launching new products and creating new business in untapped growth market segments in Export market.

Though there is sluggish demand in certain sectors and also increased competition from global and domestic players, we expect the trend shown in 2013-14 to continue in the year 2014-15. With the global growth of chemicals focused more on Asia, it is expected that there will be further growth in chemical industry.

During the year 2014-15, we expect the investments, which we made in our further expansion of our manufacturing units and also in debottlenecking capacities of other products, add to both our topline and bottomline.

We are continuing with our efforts on improvement in efficiencies, margins and profitability while re-looking at business strategies and models, wherever necessary and barring, unforeseen circumstances, we expect to achieve better results for the year 2014-15.

HUMAN RESOURCES

The HR policies and procedures of your Company are geared towards nurturing and development of Human Capital. Your Company has transparent processes for rewarding performance and retaining talent.

Skill Gap Analysis and other systems are also in place to identify the training interventions required. Employee relations at all locations continued to remain cordial. Your Directors wish to acknowledge the sincere and dedicated efforts of the employees of the company and would like to thank them for the same.

CAUTIONARY STATEMENT

Statements made in the report, including those stated under the caption “Management Discussion and Analysis”_describing the company’s plans, projections and expectations may constitute “forward looking statements” within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper adequate internal control system to ensure that all the assets are safe guarded and protected against the loss from unauthorized used or disposition and that transactions are authorized, recorded and reported correctly.

The internal control is supplemented by an extensive internal audit, periodical review by the management and documented policies, guidelines and procedures. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of Assets.

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, 2014:

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

(Rs In Lacs)

Electricity	2013-2014	2012-2013
Purchased	119.28	105.71
Through own generation	17.61	20.61

Consumption per unit of production

(Units)

Product	Electricity		Own Generation	
	2013-2014	2012-2013	2013-2014	2012-2013
Calcium Powder & TPR	24.54	22.97	6.65	5.60
ESBO	2.57	2.10	1.80	1.57
Heat Stabilizer (TINMATE-201)	0.95	0.79	1.25	1.18

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

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

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.290,436,000/-

Outgo : Rs. 410,090,370 /- (include both foreign expenses and Import purchases)

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, 2014)

(Rs in Lacs)

Name of the Subsidiary	Moonlite Technochem Private Limited	Sigma Plastic Industries (Partnership Firm)
Capital	314.91	198.96
Reserve	140.03	Nil
Total Assets	2,460.27	1,794.82
Total Liabilities (Loans + Current Liabilities)	2,005.33	1,595.86
Investment (Except in case of investment in subsidiaries)	Nil	Nil
Turnover (Including other income)	7, 575.14	2,950.25
Profit (Loss) before Taxation	47.16	58.08
Provision for Taxation	(18.18)	(15.62)
Profit (Loss) after Taxation	28.98	42.46
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**

Sd/-

**Vikas Garg
Managing Director**

**Place: New Delhi
Date: 6th August 2014**

CORPORATE GOVERNANCE REPORT

“ Creating an ethical culture means instilling and maintaining a commitment to doing the right thing, this time and every time so much so that it becomes entwined in the essential DNA of the firm”

Your Director present the Company’s Report on Corporate Governance in Compliance with Clause 49 of the Listing Agreement executed with the Stock Exchanges.

Corporate Governance is an ethically driven business process and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, fairness in all its transactions in the widest sense and meet its stakeholder’s aspirations and societal expectations. The Company’s philosophy on Corporate Governance is to conduct business and its dealings with all stakeholders in compliance with laws and high standard of business ethics for effective control and management system in an organisation, which leads to enhancement of shareholders and other stakeholder’s value. The Board considers itself as a Trustee of its shareholders and acknowledges its responsibilities towards them for creating and safeguarding their wealth.

The Board and Management of the Company believes that Corporate Governance is the commitment for compliance with all Laws, Rules and Regulations that apply to it with the spirit and intent of high business ethics, honesty and integrity resulting in the effective control and management system in the organisation leading toward the enhancement of shareholders and other stakeholder’s value. It brings into focus the fiduciary and the trusteeship role of the Board to align and direct the actions of the organisation towards creating wealth and shareholder’s value.

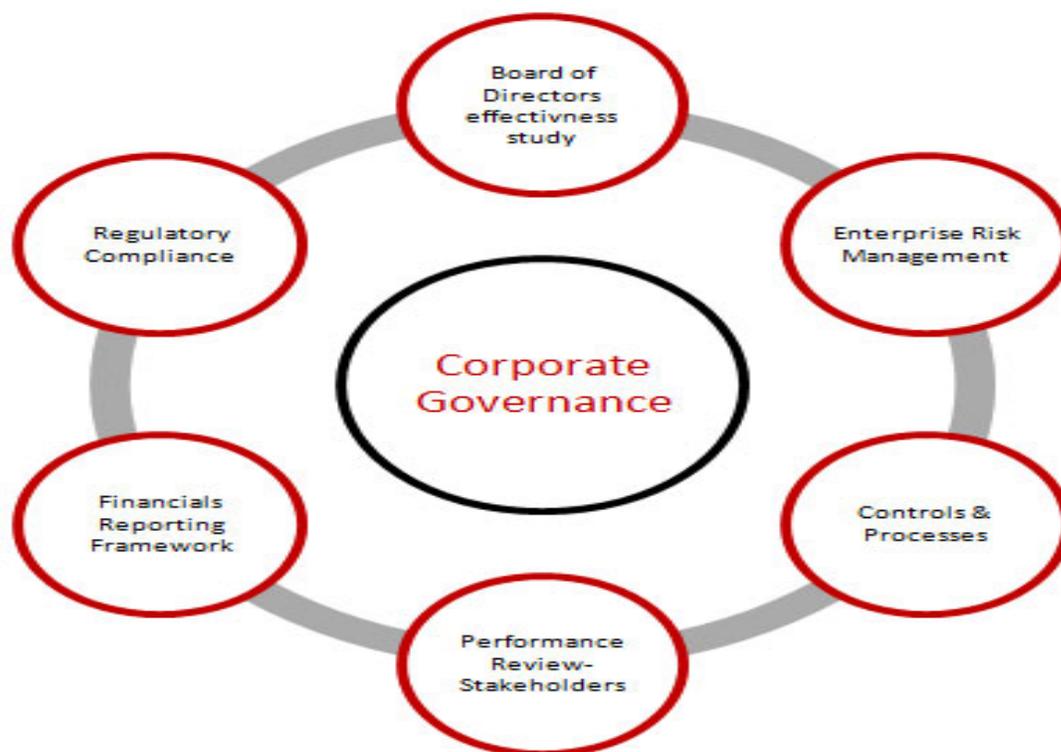
VGL firmly believes in adopting the ‘best practices’ for sustainable development, increasing productivity and competitiveness within the sector. The essence of Corporate Governance lies in promoting and maintaining transparency and accountability in the higher echelons of management. The demands of corporate governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. Good governance practices stem from the culture and the mindset of the organisation and at VGL we are committed to meet the aspirations of all our stakeholders. Your company’s essential charter is shaped by the objectives of transparency, professionalism and accountability. The Company continuously endeavours to improve on these aspects on an ongoing basis.

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

The company has a sound Corporate Governance mechanism in place built around following principles :-

- **Clear definition of roles and responsibilities of our Board of Directors leading to decentralized decision making:** Our Company's framework is designed to enable the Board to provide strategic guidelines for the company the effective over-sight of management. The respective roles and responsibilities of Board Members and Senior Executives are clearly defined to facilitate accountability to company as well as its shareholders. This ensures a balance of authority so that no single individual has unfettered powers.
- **Rights and equitable treatment of shareholders:** Organizations should respect the rights of shareholders and help shareholders to exercise those rights. They can help shareholders exercise their rights by openly and effectively communicating information and by encouraging shareholders to participate in general meetings.
- **Interests of other stakeholders:** Organizations should recognize that they have legal, contractual, social, and market driven obligations to non-shareholder stakeholders, including employees, investors, creditors, suppliers, local communities, customers, and policy makers.
- **Role and responsibilities of the board:** The board needs sufficient relevant skills and understanding to review and challenge management performance. It also needs adequate size and appropriate levels of independence and commitment.
- **Integrity and ethical behaviour:** Integrity should be a fundamental requirement in choosing corporate officers and board members. Organizations should develop a code of conduct for their directors and executives that promotes ethical and responsible decision making.
- **Disclosure and transparency:** Organizations should clarify and make publicly known the roles and responsibilities of board and management to provide stakeholders with a level of accountability.
- **Adopted a policy of making timely and balanced disclosures:** We believe in disclosure of all material matters concerning the company to all investors. The announcements about the company are based on factual details and presented in a clear and balanced way on regularly on its website and also to the regulators.



Customer Relationship Management

VGL's engages itself in extending continuous support to all its stake holders including customers and it is regarded among its customers for its professionalism. Under its Customer Relationship Management (CRM) programme, the Company has started to offer services/support to customers in selected areas such as Operation & Maintenance, R&D Finance etc with the explicit objective of overall growth.

Undivided Commitment towards Society

VGL's has been a committed and socially responsible corporate citizen since its inception. The Company has also formulated and adopted Corporate Social Responsibility-Community Development (CSR-CD) policy for taking up CSR activities in areas adjoining the power stations. This Committee will address the niche domains of social development at national level through strategic interventions.

Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in international corporate governance. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

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, The Board of Directors of the Company consists of 9 members. Two of the Directors, i.e. the Managing Director & Whole Time Director, are Executive Directors & rest of the seven Directors are Non- Executive Directors, who brings a wide range of skills & experience to the Board.

Composition and the category of the Directors as on 31st March, 2014 are as follows:

S.N o.	Name of Director	Designation	Position
1.	Vikas Garg	Director	Promoter- Managing Director
2.	Vivek Garg	Director	Promoter - Whole-Time Director
3.	Narender Kumar Garg	Director	Independent-Non Executive
4.	Purushottam Dass Bhoot	Director	Independent-Non Executive
5.	Sumer Chand Tayal	Director	Independent-Non Executive
6.	Jagdish Capoor	Director	Independent-Non Executive
7.	Pradip Kumar Banerji	Director	Independent-Non Executive
8.	Manoj Singhal	Director	Independent-Non Executive

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. VIKAS GARG, 41 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. He heads the company and provides strategic direction and guidance to all the activities of the company. He possesses rich experience of more than 18 years in the line of polymer compounds and chemicals. He spearheaded the Group's diversification into polymer compounds and chemicals and has been instrumental in getting distribution rights from various global giants. He had utilized his experience of the trading field to route his efforts in the manufacturing direction thereby establishing two manufacturing units one in Jammu and other in Rajasthan. His vision is to make Vikas GloablOne Limited the fastest growing company in the field of polymer compounds and speciality additives.

Since Inception, the Company had crossed several milestones in its journey towards being a truly world class organisation and has registered an exponential growth and consistently making profits. 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.

Ha was instrumental in commencement of commercial production of PVC Heat Stabilizers in its manufacturing facility situated at Samba, Jammu & Kashmir in collaboration with Sino-

France Hozhou Chemical Company Limited, China, first of its kind facility in India aiming at manufacturing of import substituted products. It is the first fully Integrated Methyl Tin Stabilizer manufacturing facility in the India, which is equipped to produce quality material that is comparable to any of the international Brands.

His courage is reflected by the way he ventured into the business of speciality chemicals from scratch at a very young age. In 2010, he had directed his efforts to include a new product in the kit of the company, thereby starting the production of Expoxidized Soyabean Oil – PVC Plasticizer & Co- Stabilizer under the brand name of ADD FLEX to the range of products being offered to the industry; which again is a first in the Northern India region. It's manufacturing facility is located at Shahjahanpur, Rajasthan. ADD FLEX – ESBO Plasticizer, is made from agriculture products thus acting as substitute of crude oil based other plasticizers like DOP/DBP etc.

Since then there was no looking back. He is adventurous and does not hesitate to look beyond the boundaries. He strongly believes in “ NO RISK NO GAIN”. It is because of his risk taking ability he had lead the company to great heights and continuing further. Under his leadership company has increased its installed capacity of TPR Compounding to many folds in a short span of years.

He possesses the ability to sail his company through rough weathers, which is evident of his impeccable quality of courage and optimism. He believes true essence of running business lies in building and maintaining relations.

He is a leader in true sense and stands not only for his cause but takes responsibility and motivates other individuals also. He considers his employees as his assets and work with them as a team. The leadership quality of his has made the employees to have long association with the company thereby reducing the attrition rate.

His Strategic direction and Innovative ideas helped the company to have a global impact and gearing up to cater to the growing demand. Under his guidance, company is all set to expand its business in a big way in the coming years. He is targeting impressive growth plans by increasing the production setup. Under his leadership and with a host of expansion plans, the company is confident of achieving new heights in the coming years.

He also hold directorship in Vikas Polymerland Pvt. Ltd. & Pride Buildtech Pvt. Ltd. & Moonlite Technochem Pvt. Ltd. & Vikas Utilities Pvt. Ltd.

He is the Chairman of the Executive Committee and Members of Risk Management Committee, Nomination Remuneration Committee, Compensation Committee, Corporate Social Responsibility Committee.

MR. VIVEK GARG, 39 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 16 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 Agarsen Academy Pvt. Ltd., A.G. Agrotech & Power Pvt. Ltd. , Vikas Utilities Pvt. Ltd. , Pride Buildtech Pvt. Ltd. , Vikas Polymerland Pvt. Ltd. , Vikar Surya Buildwell Pvt. Ltd.

He is a member of Stakeholder Relationship Committee, Equity Warrant Committee and Executive Committee.

MR. NARENDER KUMAR GARG, 65 years holds Masters Degree in Political Science and History and an Independent & Non- Executive Director of the Company.

He has vast experience while serving on the Board of JBG Indraprastha Developers Pvt. Ltd., Super Bazaar (The Cooperative Store Ltd), New Delhi, and acts as a Chairman of the 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 Co- operative Societies, Delhi Government.

He is a Managing Director in ISG Securities and Finance Pvt. Ltd. an NBFC and Director of JBG Indraprastha Developers Pvt. Ltd., 365 Labels Private Limited, GBG Estate Developers Private Limited, Moonlite Technochem Pvt. Ltd. He is also acts an arbitrator in the Quasi Judicial cases in the Registrar of Cooperative Societies, Delhi, the Chairman of the Disciplinary Committee, Azadpur Committee, Delhi Government a member of the Azadpur Mandi Committee, Delhi Government.

He is the Chairman of Audit Committee, Corporate Social Responsibility Committee Equity Warrant Committee, Nomination Remuneration Committee and Compensation Committee and member of the Stakeholder Relationship Committee, Risk Management Committee, Executive Committee.

MR. PURUSHOTTAM DASS BHOOT, 85 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 Bhatkawa Tea Industries Ltd.

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

MR. SUMER CHAND TAYAL, 68 years is a Civil Engineers and an Independent & Non- Executive Director of the Company.

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 Stakeholder Relationship Committee and Member of the Audit Committee, Equity Warrant Committee, Compensation Committee, Corporate Social Responsibility Committee of the Company.

MR. JAGADISH CAPOOR, 75 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, LICHFL Trustee Co. Pvt. Ltd., Entegra Limited, Atlas Documentary Facilitators Company Pvt. Ltd., Asset Care & Reconstruction Enterprise Ltd., Quantum Trustee Co. Pvt. Ltd., Mannapuram Finance Ltd, , LIC Housing Finance Limited, Nitesh Estates Limited, HDFC Securities Limited. He is also associated with Indian Institute of Management, Indore as a member of Board of Governor.

MR. PRADIP KUMAR BANERJI, 72 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 the Chairman of the Risk Management Committee and member of Nomination Remuneration Committee.

MR. MANOJ SINGHAL, 58 year is a Commerce Graduate from Punjab University and an Independent & Non- Executive Director of the Company.

He launched a dream journey of his own. He has justified the true spirit of the motto, by achieving where he has reached continuing to aspire & achieve more. Starting his business career in packaging industry and with an innovative and inquisitive mind having in built momentum for taking challenges in life, ventured into high technology industry for manufacturing of Precision Metallic Coil Spring at Gurgaon in 1991.

He has spread world class quality education of rural poor children at affordable price by associating in the capacity of president with Mohinder Singh Syngle Education and research Society New Delhi. Apart from academics, thrust is given on development of personality, Indian value system and secularism amongst students, in these institutes. He has widely travelled all over the globe on Business Mission, International Trade & Business Conferences. His

versatility is depicted through his immense contribution made on the education and Social Cultural & Sports front by associating with various educational institutions, trusts and committees. In view of the background and vast experience, the Board considers his association as a Director will be beneficial to and in the interest of the Company.

He has also contributed on social Cultural & Sports and is associated with the President – Punjab Amateur Athletic Association, Distt. Sangur, Punjab, Vice president –Shree Dharmic Lila Committee (Regd), Trustee –Sri Bhagwati Rakta Chumunda Trust, Kangra, H.P., Vice Chairmen- Shirdi Sai Baba Temple Society & Sai Education Trust, Associate Member – Indian Habitat Centre, New Delhi and others.

He is the Chairman and Managing Director of MM Auto Industries Limited and MM Asan Auto Limited. He is also a Director in M N M Asset Reconstruction company Limited, Hitkari Automobiles Private Limited, MNS Auto Industries Limited, MM Apartments Private Limited, MM Apartments N Infrastructure Private Limited, MM Vidyut Private Limited, Triveni Bhoomi Vikas Private Limited, MM Infosystems Private Limited. He hold professional membership in the Managing Committees, PHD Chamber of Commerce & Industry, MM Physi- Health Care

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, Stakeholders Relationship Committee, Risk Management committee, Nomination Remuneration Committee and Equity Warrant Committee. Information is provided to the Board in advance of every meeting.

During the Financial Year 2013-14, 5 (Five) 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 Meetings(During the Financial Year 2013-14)
1	30-05-2013
2	14-08-2013
3	14-11-2013
4	07-02-2014
5	15-03-2014

Following are the details of attendance of Directors at the aforesaid Board Meetings held during the financial year 13-14

Name of Directors	No. of Board meetings held during the tenure of the directors	No. of Board meetings attended
Vikas Garg	5	5
Vivek Garg	5	5
Purushottam Dass Bhoot	5	4
Pradip Kumar Banerji	5	4
Jagdish Capoor	5	1
Sumer Chand Tayal	5	5
Narender Kumar Garg	5	5
Manoj Singhal	5	2
Brij Behari Tandon	2	2
Nand Kishore Garg	2	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.

During the Financial Year 2013-2014, 4(four) Audit Committee were held. Below mentioned table specifies the dates on which the Board meetings were held:

Details of Audit Committee Meeting	
S.No.	Dates of the Meeting (During the Financial Year 2013-2014)
1	28 th May, 2013
2	13 th August, 2013
3	14 th November, 2013
4	6 th February, 2014

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

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. **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.

During the Financial Year 2013-2014, 6(Six) Executive Committee were held. Below mentioned table specifies the dates on which the Board meetings were held:

Details of Executive Committee Meeting	
S.No.	Date of Meetings (During the Financial Year 2013-2014)
1	30 th April, 2013
2	22 nd August, 2013
3	11 th September, 2013
4	28 th October, 2013
5	22 nd November, 2013
6	19 th February, 2013

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;

III. 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.

During the Financial Year 2013-2014, 1(one) Compensation Committee were held. Below mentioned table specifies the dates on which the Board meetings were held:

Details of Compensation Committee Meeting	
S. No.	Date of Meetings (During the Financial Year 2013-2014)
1	31 st March, 2014

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

IV. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted Stakeholder Relationship 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.

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, 2013	:	Nil
Received during the year	:	Nil
Resolved during the year	:	Nil
Pending as on March 31, 2014	:	Nil

V. NOMINATION 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	Narender Kumar Garg	Director	Chairman
2	Pradip Kumar Banerji	Director	Member
3	Vikas Garg	Director	Member

The scope of the activities of Nomination 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.

VI. 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.

VII. 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.

VGL Philosophy of Corporate Governance

At VGL's we pride ourselves for being a "Catalyst in making decisions which would enable growth of the company at better terms". We would like to be known as a Company that maintains very high standards of Ethical Integrity and Fairness while keeping total focus on Performance, thus contributing to the overall wellbeing of all our stakeholders including Customers, Shareholders, Employees, Vendors, Community and the Government.

Our Corporate Governance philosophy envisages attainment of the highest levels of Integrity, Accountability, Performance, Ethical Behavior and Equity in all facets of our Operations. We believe that the practice of each of these elements will create the right corporate culture, empower our employees and ensure sustainability of our Operations.

We have an independent and well-informed Board of Directors (and its Remuneration and Audit Committees) at the core of our Corporate Governance practice. They oversee how the management and all employees serve and protect the long-term interests of all our stakeholders.

Our employees including the Board of Directors actions are governed by our "Code of Conduct & Ethics Policy" as enumerated below.

VGL's Code of Conduct & Ethics

We in VGL believe that good business practices and ethics go together to produce best long term results for all our stakeholders. We take our responsibility and reputation as a good corporate citizen seriously.

We are proud of our values and their effect on how we do our business. This Code of Conduct & Ethics Policy sets forth legal & ethical standards that apply to all employees of VGL.

The purpose of this document is to articulate the high standards of honest, ethical and law abiding behavior expected of every employee and encourages the observance of these standards to protect and promote the interests of all stakeholders.

We would implement this Code over a period of time, starting with an internal implementation as a first step. All employees are expected to follow this code fully and are encouraged to report any non-observances.

Standards for Conduct of Business

1. Ethical and Honorable Conduct

All employees shall deal on behalf of the Company with professionalism, honesty, integrity as well as high moral and ethical standards. Such conduct shall be fair and transparent and be perceived to be as such by third parties.

Employees are expected to deal with other colleagues in an honorable and respectful manner, without any gender bias / harassment. All employees, vendors and service providers should be selected on merit, without any conflict of interest or favoritism. Appropriate disclosures should be made wherever required to maintain transparency.

2. Legal / Regulatory Compliance

All employees shall at all times ensure compliance with all the relevant laws and regulations affecting operations of the Company. They shall keep abreast of the latest developments in relevant laws, rules and regulations related to their area of work.

3. Fair Dealings and Equal Opportunities

VGL respects human rights and encourages fair dealing (nondiscriminatory) across all levels and to all stakeholders. There shall be no discrimination on grounds of race, religion, gender, place of origin or caste. Accordingly, the Company expects each employee to deal fairly and with equality with other employees, customers, shareholders, suppliers, competitors, auditors, lawyers, creditors and advisers of the Company and encourage others to do the same.

4. Business Interests

An employee shall not engage in any business, relationship or activity, which might conflict with the interest of the Company. All are expected to devote full attention to the business interests of the Company, and are prohibited from engaging in any other activity that interferes with their official performance of responsibilities to the Company or is otherwise in conflict with or prejudicial to the Company.

5. Transparency

All employees shall ensure that their actions in the conduct of business are totally transparent except where the needs of business security dictate otherwise. Such transparency is brought about through appropriate policies, systems and processes which they are expected to follow fully.

6. Company Resources

All the assets of the Company (both tangible and intangible) shall be deployed for the purpose of conducting the business for which they are duly authorized for. None of these should be misused or diverted for any personal commercial use or benefit, unless such use is allowed under the terms of employment.

7. Intellectual Property Rights

All inventions and innovations during course of business should belong to the Company. These include new products, processes, services that get developed while working on various assignments. Every employee should take precaution to prevent any loss of such IP rights, by keeping things confidential & safe and reporting to Legal Manager for applying for Patent, Trademark and Copy Rights.

8. Corporate Opportunities

All employees should ensure that Company does not lose any benefit accruing to it by negligence or delay in action. Any benefit accruing to the Company should be used only for Company purposes. There should not be any direct personal gain arising out of it. However, in specific instances where there are some indirect benefits accruing to employee(s), specific approval should be obtained or granted.

9. Cost Consciousness

All employees are expected to strive for optimum utilization of available resources. They shall exercise due care to ensure that all costs incurred are reasonable and there is no wastage of resources. Every time a cost is incurred, proper evaluation of such cost vs benefits should be done, as if the expenditure was being incurred for self. Proper approvals as per Company policies should be taken before any costs are committed.

10. Company Records

The Company records should be maintained in such a way that they are in full compliance with all rules, laws and regulations. Adequate precautions should be taken to protect them from falling into wrong hands, which could harm Company's business interests. They should be kept up to date and free from any misleading or wrong information. Important records should be stored in a safe place and properly marked.

11. Confidentiality

Employees come across a number of confidential information which may take many forms. They must take proper care of such information and ensure that it is not misused in any way which is detrimental to the Company's business or used for own commercial benefit. They must also not disclose actions or activities relating to our business operations to outsiders, unless they concern or impact them.

Employees who have access to proprietary and confidential information must take precaution to keep it confidential. Information should be disclosed on a NEED TO KNOW basis to people who need to know such information.

The Company has procedure for entering into confidentiality agreements with various vendors, which shall be executed before any information is shared with them.

An employee is expected to accept only such information that is necessary to accomplish the purpose of receiving it, and not for any other purpose.

12. Products and Advertising

All products should be of promised content and quality. Advertising should be within law and shall be honest.

13. Company Reporting and Communications

All information reported or communicated by the Company should be factually correct, complete and accurate. Proper cautionary statements shall accompany wherever necessary, to avoid any misunderstanding or any unintended harm.

14. Interaction with Media

Only MD and persons officially designated for such interactions should engage with any member of press and media in matters concerning the Company. Any requests for interaction should be directed to such authorised persons.

15. Competition

VGL believes in fair and ethical competition. No employee shall use any illegal or unethical means to obtain any information about competition or to take any business from competition by any misrepresentation or by giving wrong facts to the customer(s).

16. Community Activities

In order to ensure fairness and avoid any adverse impact on business, all community activities under VGL name shall be properly authorized before they are undertaken by any employee. Such activities should be unbiased, should not be related to promoting any religion and shall not harm any business interests of the Company.

17. Government Support and Taxes

VGL is committed to be an honest citizen. All employees are expected to provide full support to any Government initiatives, investigations and compliance requirements. All due taxes shall be computed properly and paid on time. Proper disclosures should be made wherever there is lack of full clarity and an opinion is formed.

18. Political Contributions

VGL believes in fairness and equality. In order to avoid any conflicts and political alignments, VGL shall not participate in any political activities or contributions.

19. Gifting and Entertainment

VGL and its employees shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits that are intended, or perceived, to obtain uncompetitive favors for the conduct of its business.

The employees may however accept and offer nominal gifts during course of the business, provided such gifts are customarily given and are of a commemorative nature, such as Diaries, Calendars and other Stationary items. Employees may also attend and take others out for normal or customary business lunch, dinner and functions. These should however not impact or compromise objectivity and fairness of an employee to take Company decisions.

20. Health, Safety and Environment

VGL shall strive to provide a safe, healthy, clean and ergonomic working environment for its people and guests who visit it. It shall also strive to prevent any wasteful use of natural resources (incl. water) and is committed to help in improving the environment. Wherever feasible it will reduce, replace, recycle or regenerate articles consumed in its operations.

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, 2014.

- **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 had complied with all the mandatory requirements and most of the non-mandatory requirements specified in the revised Clause 49 of the Listing Agreement.

SECRETARIAL AUDIT

In line with the highest standards of Corporate Governance adopted by the Company and also to ensure proper compliance with the provisions of various corporate laws, regulations and guidelines issued by the Securities and Exchange Board of India and the Listing Agreement, the Company has voluntarily started a practice of Secretarial Audit from a Practicing Company Secretary.

An audit report issued by M/s. Lovneet Handa & Associates, Company Secretaries, in respect of the secretarial audit of the Company for the financial year ended 31 March 2014, is provided separately in the Annual Report.

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.

GENERAL INFORMATION FOR MEMBERS

Annual General Meetings Details

Date	29 th September, 2014
Venue	Haryana Maitri Bhawan, Pitampura, New Delhi-110027
Time	11:30 A.M
Book Closure Dates	23 rd September, 2014 to 29 th September, 2014
Dividend Payment Date	On or after 29 th September, 2014

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

Mr. Sunil Malik, 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 2014-15 has been paid to NSDL and CDSL, the Depositories. In the Company, 98.40% (percent) of shares of the Company have been dematerialized as on 31st March, 2014.

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

The Delhi Stock Exchange: 530961

FINANCIAL CALENDAR

Financial Year 2013-2014	
First Quarter Results	June, 2013
Second Quarter and Half-Year Results	September, 2013
Third Quarter Results	December, 2013
Fourth Quarter and Annual Results	March, 2014

GENERAL BODY MEETINGS

Details of last three Annual General Meetings were held at:

Financial year Date	Time	Venue
Wednesday, the 28 th September, 2011	11:30 A.M.	Haryana Maitri Bhawan, Pitampura, New Delhi
Thursday, the 27 th September, 2012	11:30 A.M.	Haryana Maitri Bhawan, Pitampura, New Delhi
Friday, the 27 th September, 2013	11:30 A.M.	Haryana Maitri Bhawan, Pitampura, New Delhi

No **Special Resolutions** was passed in the last Annual General Meeting.

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.

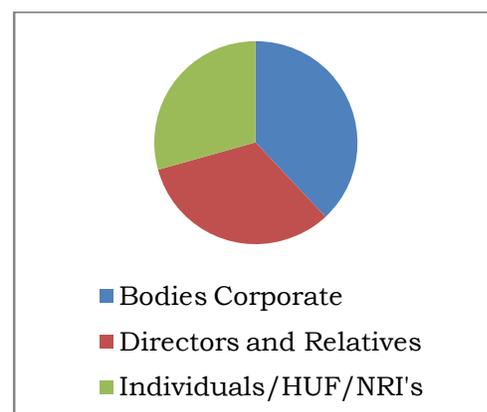
DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2014

Shareholding of nominal value			Share/Debenture holders		Share/ Debenture Holding	
In Rs.			Number	%age	Shares	%age
1	To	5000	709	70.970	802683	0.789
5001	To	10000	73	7.307	599504	0.590
10001	To	20000	30	3.003	506770	0.498
20001	To	30000	23	2.302	590680	0.581
30001	To	40000	16	1.601	571410	0.562
40001	To	50000	24	2.402	1101160	1.083
50001	To	100000	31	3.103	2335080	2.296
100001	To	Above	93	9.309	95188583	93.601
Total			999	100.00	10169587	100.00

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SHAREHOLDING PATTERN AS ON 31ST MARCH, 2014

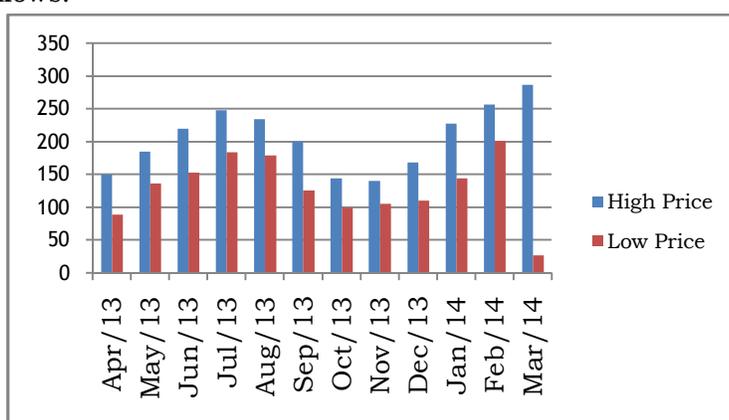
Category	Number of Shares	Percentage of Holding
(A) PROMOTERS		
Directors and Relatives	33280880	32.73
Bodies Corporate	10329630	10.16
Total (A)	43610510	42.89
(B) PUBLIC SHAREHOLDING		
Bodies Corporate	28328713	27.86
Individuals/HUF/NRI's	29756647	29.25
Total (B)	5773486	57.11
Grand Total (A+B)	10103937	100.00



STOCK MARKET DATA

The stock market data for the year are as follows:

Month	High Price	Low Price
April 2013	150.00	88.75
May 2013	185.00	136.50
June 2013	220.00	152.20
July 2013	248.00	183.55
August 2013	234.00	178.55
September 2013	200.00	124.95
October 2013	143.55	99.05
November 2013	140.00	105.10
December 2013	168.00	109.95
January 2014	227.80	144.00
February 2014	257.00	201.40
March 2014	287.00	26.60



ANNEXURE TO THE REPORT OF THE DIRECTORS

CERTIFICATE OF COMPLIANCE FROM PRACTISING COMPANY SECRETARY 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** having its Registered Office at 34/1 Vikas Apartments, East Punjabi Bagh, Delhi-110026 for the year ended 31st March 2014, as stipulated in Clause 49 of the Listing agreement of the Company with the Stock Exchanges in India.

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 the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement in all material respects.

We state that in respect of the investor grievances received for the year ended 31st March, 2014, no such investor grievances remained unattended/pending as at 31st March, 2014 as per the records maintained by the Share Transfer & Shareholders'/Investors' Grievance Committee.

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 LOVENEET HANDA & ASSOCIATES
COMPANY SECRETARIES**

**Sd/-
(LOVENEET HANDA)
ACS-25973
C.P NO.-10753**

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. 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: **6th August 2014**

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of **Vikas Globalone Limited** ("the Company"), which comprise the **Balance Sheet** as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September' 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act' 2013 and in accordance with the accounting principles generally accepted in India.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the **state of affairs** of the Company as at March 31, 2014;
- (b) in the case of **the Profit and Loss Account**, of the **profit** for the year ended on that date; and
- (c) in the case of the **Cash Flow Statement**, of the **cash flows** for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
- e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For R S P H & Associates.

Chartered Accountants

Firm's Registration Number :- 003013N

(Tarun Kumar Batra)

(Partner)

Membership Number :- 094318

Place :- New Delhi

Date :- 24.05.2014

Annexure to the Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirement" of our 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 not taken any unsecured loan from parties covered in the Register maintained under section 301 of the Companies Act, 1956.
 - The Company has not granted any unsecured to 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 if any 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 then six months from the date they become payable as at 31st March'2014 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 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.
12. The company has given corporate guarantee for loans taken by Subsidiary Company Moonlite Technochem Private Limited for a sum of Rs. 1600 Lacs and Rs 600 Lacs in the case of Sigma Plastic Industries (Partnership Concern in which Company is a partner) from banks or financial institutions, the terms and conditions there of are **prima facie** prejudicial to the interest of the company.

13. Term loan taken by the company has been utilized for the purpose for which it has been taken.
14. 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.
15. 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.
16. 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.
17. 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.
18. 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.
19. On the basis of the records made available to us, the Company has no debentures outstanding during the year.
20. The Company has not raised any money through public issue during the year. During the year the company has issued 6,56,500 Equity Shares of Rs. 1/- Each under Employee Stock Option Scheme.
21. 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.
22. Other clauses of the Order are not applicable to the Company.

For R S P H & Associates.

Chartered Accountants

Firm's Registration Number :- 003013N

(Tarun Kumar Batra)

(Partner)

Membership Number :- 094318

Place :- New Delhi

Date :- 24.05.2014

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2014
(In Rupees)

PARTICULARS	NOTE	AS AT 31-03-14	AS AT 31-03-13
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	101,695,870	101,039,370
Reserves and Surplus	3	307,747,479	267,687,021
Non-Current Liabilities			
Long-term borrowings	4	18,193,857	23,635,398
Deferred tax liabilities (Net)	5	3,520,136	3,401,974
Other Long Term Liabilities	6	1,376,240	706,274
Current Liabilities			
Short-term borrowings	7	410,910,401	342,150,381
Trade payables	8	238,023,417	227,010,711
Other current liabilities	9	134,558,352	47,318,275
Short-term provisions	10	10,865,322	6,437,462
TOTAL		1,226,891,074	1,019,386,866
ASSETS			
Non-current assets			
Fixed assets			
-Tangible Assets	11	210,996,317	177,486,005
-Intangible Assets		584,292	1,168,585
Deferred tax assets (net)		-	-
Non - Current Investment	12	53,560,241	75,421,515
Long term loans and advances	13	3,071,152	1,259,152
Other non-current assets	14	570,252	326,339
Current assets			
Inventories	15	238,485,608	275,017,706
Trade receivables	16	538,458,146	363,615,673
Cash and cash equivalents	17	4,424,274	3,500,850
Short-term loans and advances	18	175,254,936	118,902,816
Other Current Asset	19	1,485,856	2,688,225
TOTAL		1,226,891,074	1,019,386,866

NOTES forming part of Financial Statement
1-50

As per our report of even date attached

FOR RSPH & ASSOCIATES

Chartered Accountants (Firm Regn No: 003013N)

For and on Behalf of the Board

C.A TARUN KUMAR BATRA

Partner (Membership No:094318)

VIKAS GARG

Managing Director

SUMER CHAND TAYAL

Director

PLACE : NEW DELHI
DATE : 24.05.2014
RAJESH KAUSHIK

GM Accounts & Finance

SUNIL MALIK

Company Secretary

STANDALONE PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (In Rupees)

PARTICULARS	NOTE	FOR THE PERIOD ENDED ON 31-03-14	FOR THE PERIOD ENDED ON 31-03-13
Revenue			
Revenue from Operations		1,774,752,593	1,638,698,326
Less: Excise Duty		(77,917,329)	(70,765,583)
Net Sales	20	1,696,835,265	1,567,932,743
Other Income	21	19,073,289	12,874,617
Total Revenue		1,715,908,554	1,580,807,360
Expenses			
Cost of Material Consumed	22	850,254,313	754,955,672
Purchases of Stock-in-Trade	23	606,896,999	610,392,461
Change in Inventories of Finished Goods	24	(4,887,269)	12,401,298
Employees Benefit Expenses	25	36,428,625	27,193,251
Financial Expenses	26	64,234,270	44,627,548
Depreciation and amortization expense	27	19,054,012	16,818,986
Other Expenses	28	106,454,318	85,128,842
Total Expenses		1,678,435,268	1,551,518,058
Profit before exceptional, extraordinary and Tax		3,473,286	29,289,302
Exceptional Item		-	-
Profit before extraordinary		37,473,286	29,289,302
Extraordinary Item		-	-
Profit before tax		37,473,286	29,289,302
Tax expense:			
Current tax		(4,916,367)	(565,937)
Deferred tax		(118,162)	(538,511)
Mat Credit Availed		(2,781,195)	
Excess/ Short provision relating earlier year tax		403,309	176,653
Profit(Loss) from the period from continuing operations		30,060,871	28,361,507
Profit/(Loss) from discontinuing operations		-	-
Tax expense of discounting operations		-	-
Profit/(Loss) from Discontinuing operations		-	-
Profit/(Loss) for the period		30,060,871	28,361,507
Share Earnings from Partnership Firm		3,184,666	5,866,766
Profit/(Loss) for the period		33,245,537	34,228,273
Earning per equity share:			
(1) Basic (Note no-41)		0.33	0.34
(2) Diluted (Note no-41)		0.33	0.34

Notes forming part of Financial Statement
1-50

As per our report of even date attached

FOR RSPH & ASSOCIATES

Chartered Accountants (Firm Regn No: 003013N)

For and on Behalf of the Board

C.A TARUN KUMAR BATRA

Partner (Membership No:094318)

VIKAS GARG

Managing Director

SUMER CHAND TAYAL

Director

PLACE : NEW DELHI
DATE : 24.05.2014
RAJESH KAUSHIK

GM Accounts & Finance

SUNIL MALIK

Company Secretary

STANDALONE CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH 2014 (In Rupees)

PARTICULARS	FOR THE PERIOD ENDED ON 31-03-14	FOR THE PERIOD ENDED ON 31-03-13
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit (loss) before extraordinary items	37,473,286	29,289,302
Adjustments for:		
Depreciation	18,469,719	16,234,693
Amortization	584,293	584,293
Employee Stock option	12,763,877	-
Provision for income tax	-	176,653
interest expenses	64,234,270	44,627,548
interest on current investments	(5,076,888)	(2,997,509)
Operating Profit (Loss) before working capital changes	128,448,557	87,914,980
Adjustments for:		
(increase)/Decrease in inventories	36,532,098	(91,754,151)
(increase)/Decrease in trade receivables	(174,842,473)	(99,969,170)
(increase)/Decrease in other current assets	1,202,369	123,876
(increase)/Decrease in loans and advances	(54,892,162)	(13,742,819)
(increase)/Decrease in trade payables	11,012,706	89,984,049
(increase)/Decrease in other liabilities	87,096,820	(20,945,062)
(increase)/Decrease in provisions	669,966	811,261
Cash generated from operations	35,227,881	(47,577,036)
Direct taxes (paid)/refunded	(6,459,694)	(565,937)
Net Cash flow from (used)in operating activities	28,768,187	(48,142,973)
B.CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(51,980,030)	(16,477,412)
Purchase /Sale of other Investments	21,861,274	(5,816,765)
Sale of tangible fixed assets	-	1,424,951
Other interest received	8,261,554	2,997,509
Other investing activities net	-	5,866,767
Net cash flow from (used) in investing activities	(21,857,203)	(12,004,950)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	-	230,549
Proceeds from short term borrowings	68,760,020	111,006,846
Repayments of long term borrowings	(5,441,541)	-
Interest Paid on bank borrowings	(64,234,270)	(44,627,548)
Share Capital	656,500	
Dividend paid	(4,908,713)	(5,051,969)
Dividend distribution tax paid on equity shares	(819,557)	(819,556)
Net cash flow from (used) in financing activities	(5,987,560)	60,738,322
Net increase (decrease) in cash and cash equivalents	923,424	590,399
Cash and Cash Equivalents at the beginning of the year	3,500,850	2,910,451
Cash and Cash Equivalents at the end of the year	4,424,274	3,500,850

Notes Forming Part of Financial Statement

As per our report of even date attached

FOR RSPH & ASSOCIATES

Chartered Accountants (Firm Regn No: 003013N)

C.A TARUN KUMAR BATRA
Partner (Membership No:094318)

VIKAS GARG
Managing Director

For and on Behalf of the Board

SUMER CHAND TAYAL
Director

PLACE : NEW DELHI
DATE : 24.05.2014

RAJESH KAUSHIK
GM Accounts & Finance

SUNIL MALIK
Company Secretary

NOTE 1:

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 (NSE), Bombay Stock Exchange (BSE) and Delhi Stock Exchange (DSE).

The company is engaged in the business of manufacturing and distribution of 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

Basis of presentation: These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) (which continues to be applicable in terms of General circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013), other relevant provisions of the Companies Act, 1956(to the extent applicable), the provisions of Companies Act, 2013 (to the extent notified) & guidelines issued by the SEBI. 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.

a) 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.

b) Inventories

- i)* Raw Material/Trading is valued at lower of cost OR net realizable value.
- ii)* Finished products are valued at lower of cost OR net realizable value. Cost 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.

c) Prior Period Items: Significant items of Income and Expenditure which relates to prior accounting period are accounted in the statement of profit and loss under the head “**prior period items**” other than those occasioned by events occurring during or after the close of the year and which are treated as relatable to the current year.

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.
- Goodwill is amortized over the period of five years.

e) Impairment:

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

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

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

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

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

Construction Contract:-The Company follows 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.

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.

h) 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.

- i) **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. The Weighted average no of Equity shares outstanding during the year after adjusted for the events of bonus issue element in a right issue to equity shareholders, share split and reserve share split (consolidation of shares).

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

m) Employee's retirement benefits:

➤ **Short Term Employee Benefits:**

Short term employee benefits are recognized as Expenditure in the profit and loss accounts of the year in which the related services are rendered.

➤ **Post Employment Benefits:**

➤ **Defined Contribution plans:**

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

➤ **Defined Benefit Plans:**

Gratuity are covered under the Gratuity Policy respectively, of Life Insurance Corporation of India (LIC). The Present Value of the Obligation is determined by using projected unit Credit method. Actuarial Gains and Loss rising on such valuation are recognized immediately in the profit and loss account.

- n) **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.

o) 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.

p) Foreign Currency Transactions:

- 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 is 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.
- iv). **Forward Exchange Contract:** In case of forward Exchange contract, difference between the forward rates and the exchange rate on the date of transaction is recognized as expenses or income over the life of the contract. Exchange difference on such contract is recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or expenses for the year.

q) Government Grants: Government grants are recognized when there is reasonable assurance that the group will comply with the condition attaching to them and grants will be received. Revenue grants are recognized in the statement of Profit and loss account. Capital grants relating to Specific Fixed Assets are reduced from gross value of respectively fixed assets and other grant are credited to capital reserve account.

r) Employee Stock Option Scheme: The Company will follow the accounting guidelines which have been issued by Securities and Exchange Board of India under Section 11 of the Securities and Exchange board of India Act'1992 and SEBI (Employee Stock option Scheme and Employee Stock Purchase Scheme) Guidelines 1999.

NOTE NO: - 2 SHARE CAPITAL
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
AUTHORIZED CAPITAL		
(1,59,500,000 shares of Rs. 1 each)		
(Previous year it was 1,59,50,000 shares of Rs. 10 each)	159,500,000	159,500,000
ISSUED , SUBSCRIBED & PAID UP CAPITAL		
1,01,695,870 Equity Shares of Rs. 1/- each, Fully Paid up	101,695,870	101,039,370
(Previous year it was 10,103,937 shares of Rs. 10 each)		
	101,695,870	101,039,370

Reconciliation of the shares outstanding at the beginning and the end of the reporting year

PARTICULARS	AS AT 31-03-14		AS AT 31-03-13	
	No of Shares	Amount	No of Shares	Amount
Shares outstanding at the beginning of the year	101,039,370	101,039,370	10,103,937	101,039,370
Bonus Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares issued during the Year(ESOP)	656,500	656,500	-	-
Shares outstanding at the end of the year	101,695,870	101,695,870	10,103,937	101,039,370

Details of Shareholders holding shares more than 5% shareholding

PARTICULARS	AS AT 31-03-14		AS AT 31-03-13	
	No of Shares	%	No of Shares	%
Vikas Garg	23,644,900	23.25%	2,364,490	23.40%
Vikas Polymerland Private Limited	10,329,630	10.16%	1,032,963	10.22%
Goodlife Impex Private Limited	11,970,000	11.77%	1,197,000	11.85%
Alankit Assignments Limited	6,679,120	6.57%	667,912	6.61%

Equity shares: - The Company has only one class of Equity having a par value Rs. 1.00 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.

Sub-Division (Stock-Split) of Equity Shares:-During the year, the Board of directors of the company, authorized **Stock split** in the Face or stated value of shares from Rs. 10/- Per share to Rs. 1/- Per share. The Company announced March 31st, 2014 as record date for the Purpose of face value split of shares from Rs.10 Per share to Rs. 1 per share. Company has also issued the Shares under Employee Stock Option Plan on 31st march2014.

The Company has formulated an Employee's stock option scheme as per Note No 43. The Scheme provides that Employees are granted options to acquire the Equity Shares of the company that vests in graded manner. The options may be exercised within a Specified Period. The options are granted at the closing market price prevailing on the stock exchange, immediately prior to the grant. The Shares issued under ESOP are as follows:

PARTICULARS	NO OF OPTIONS
Option Granted	3,695,000
Pricing Formula	Face Value
Options Outstanding, beginning of the Year	2,615,000
No of Options given to Employees in First year (30% of total no of options)	784,500
Less-No of Options Exercised by Employees	656,500
No of Options Forfeited by Employees	1,28,000
Options Outstanding, end of the year	1,830,500

NOTE NO: - 3 RESERVE AND SURPLUS
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Capital Reserves*		
Opening Balance	965,934	965,934
Add: Addition during the year	-	-
Less: Deletion during the year	-	-
Closing Balance	965,934	965,934
Securities Premium Account		
Opening Balance	69,500,000	69,500,000
Add: Addition during the year	-	-
(Receipt on Excise of Employee Stock Option)	4,116,255	
Less: Deletion during the year	-	-
Closing Balance	73,616,255	69,500,000
Reserve and Surplus		
Opening Balance	197,221,087	168,864,339
Add: Addition during the year	33,245,537	34,228,273
Less: Deletion during the year	5,948,955	5,871,525
- Dividend Paid	5,084,794	5,051,969
- Dividend Distribution Tax	864,161	819,556
Closing Balance	224,517,669	197,221,087
Profit and Loss Account		
Opening As Per Last Balance Sheet		
Add: Addition during the year	33,245,537	34,228,273
Less: Deletion during the year	33,245,537	34,228,273
Closing Balance	-	-
Total Reserve and Surplus	299,099,858	267,687,021
Employee Stock Option		
Employee Stock option Outstanding	11,477,235	-
Less-Deferred Employee Compensation Expenses	(2,829,613)	-
Closing Balance	8,647,622	-
Balance Carried forward to Balance Sheet	307,747,479	267,687,021

*Point No 41 of Note provide the details of the Capital Reserve

**Point No 43 in respect of Employee Stock Option

NOTE NO: - 4 LONG TERM BORROWING
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Term loans from banks		
Loan taken for vehicles secured	2,192,027	629,723
Loan taken for fixed assets secured	16,001,830	23,005,675
	18,193,857	23,635,398

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Loan Taken on Vehicles		
HDFC - Vehicle Loan (Agreement No 24353585)	299,210	-
HDFC - Vehicle Loan (Agreement No 25941597)	312,169	-
ICICI Loan No - LADEL00017599702	-	413,157
ICICI Loan No - LADEL00026826516	113,836	216,566
ICICI Loan No - LADEL00026874591	1,466,812	-
Total	2,192,027	629,723
Loan Taken for Fixed Assets		
BOB TL - 21000600000514	2,958,853	84,44,793
BOB TL - 21000600000515	-	41,70,284
OBC TL - 11167015000461	13,042,977	10,390,598
	16,001,830	23,005,675

NOTE NO: - 5 DEFERRED TAX LIABILITIES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Deferred Tax Liability		
Deferred Tax Liability depreciation	3,520,136	3,401,974
Gross Deferred Tax Liability	3,520,136	3,401,974
Deferred Tax Assets		
Deferred Tax Assets Fixed Assets		-
Gross deferred tax Assets		-
Net Deferred Tax Liability/ Assets	3,520,136	3,401,974

NOTE NO: - 6 OTHER LONG TERM LIABILITIES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Provision for Gratuity	1,376,240	706,274
	1,376,240	706,274

NOTE NO: - 7 SHORT TERM BORROWING
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Secured		
Cash Credit from Bank Secured	393,893,945	328,005,027
Current Maturities of the Loan taken for vehicles	2,062,570	950,346
Current Maturities of the Loan taken for fixed assets	14,953,887	13,195,008
	410,910,401	342,150,381

CASH CREDIT

The Company is availing a cash credit (Hypo) limit of Rs. 2,700 Lacs which include PCFC Limit of RS 500 Lacs from **Oriental Bank of Commerce** against Hypothecation of stock, receivable, advance to suppliers and other current assets on pari passu basis with Bank of Baroda. No DP against stock and Book debts exceeding 180 days. The rate of interest is Bank Base Rate + 2.00% which at present is 12.25% p.a. Further the Company is also availing LC (Import) DA/DP basis on Fund Based Limit of Rs. 1,800 Lacs for procurement of Raw Material and spares. Cash Margin is 20% in the shape of FDR.

The Company is also availing Cash Credit limit of Rs. 1,320 Lacs from **Bank of Baroda** with a sublimit FCNR (B) of Rs. 990 Lacs & Sub limit of FBP/FBD of Rs. 330 Lacs under the same Cash Credit limit. The limit is secured by way of hypothecation of stock, receivables & other current assets on pari passu basis on the OBC. DP shall be permitted against receivable upto 180 days. Margin is 25% & Rate of interest is BR+3.00%. Further the Company is availing Non Fund Based LC (Import/Inland/DP/DA/BG). Buyers Credit of Rs. 800 Lacs for procurement of raw material and spares. Cash Margin is 20% in the shape of FDR.

Further the limit is secured on following Collateral Properties:

1. Residential Property bearing Khasra No. 14/5/2 6min, 15/1/2, 9/2 & 10 mn Vill Ghevra, Near Mundka Railway Crossing, Delhi owned by Mr. Seema Garg and Mr. Namita Garg.
2. Roof 34/1 East Punjabi Bagh, New Delhi owned by Vikas Globalone Limited.
3. Industrial property at Industrial Growth Centre, Phase 1, Samba, Jammu owned by Vikas Globalone Limited.
4. Residential property situated at Khasra no. 710/201 in Village Rithala, Delhi owned by Mr. Vivek Garg.
5. Property situated at A-28 Khasra No. 12/10 and 13/6 Village Kamruddi Nagar Nangloi owned by M.s Seema Garg and Ms. Usha Garg.
6. Residential property situated at B-1, Upper Basement floor, 1/34, Punjabi Bagh, New Delhi owned by Ms. Usha Garg.
7. Mortgage of Agricultural land situated at village Sultanpur Dabas held owned by Vikas GlobalOne Limited.
8. Plot of land situated at Khasra No. 142/132, situated at Village Khanjawala, Delhi owned by New Age Polypacks Coats Private Limited.
9. Exclusive Equitable mortgage of factory land and building situated at G-24-29, RIICO Industrial Area, Vigyan Nagar, Shahjahanpur, Dist. Alwar, Rajasthan owned by Vikas GlobalOne Limited.
10. Exclusive Equitable mortgage of factory land and building situated at G-24-29, RIICO Industrial Area, Vigyan Nagar, Shahjahanpur, Dist. Alwar, Rajasthan owned in the name of Vikas GlobalOne Limited.

Further limit is guaranteed by Personal guarantee of the following

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

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Loan Taken on Vehicles		
HDFC - Vehicle Loan (Agreement No 17104807)	-	50,885
HDFC - Vehicle Loan (Agreement No 17105637)	-	50,885
HDFC - Vehicle Loan (Agreement No 17105275)	-	50,885
HDFC - Vehicle Loan (Agreement No 17105815)	-	43,842
HDFC - Vehicle Loan (Agreement No 24353585)	228,332	
HDFC - Vehicle Loan (Agreement No 25941597)	171,583	
ICICI Loan No - LADEL00017599702	413,157	668,501
ICICI Loan No - LADEL00026826516	102,730	85,348
ICICI Loan No - LADEL00026874591	1,146,768	-
Total	2,062,570	950,346

HDFC - Vehicle Loan (Agreement No 24353585) was taken during 2013 year and carries interest @15.65% per annum. The Loan is repayable in 36 installments of Rs. 22837 each along with interest from the date of Loan. The loan is secured by hypothecation of car of the company.

HDFC - Vehicle Loan (Agreement No 25941597) was taken during 2013 year and carries interest @15.65% per annum. The Loan is repayable in 36 installments of Rs. 17,941 each along with interest from the date of Loan. The loan is secured by hypothecation of car of the company.

ICICI Loan No - LADEL00017599702 was taken during 2010 year and carries interest @9.00% per annum. The Loan is repayable in 57 installments of Rs. 61,560 each along with interest from the date of Loan. The loan is secured by hypothecation of car of the company.

ICICI Loan No - LADEL00026826516 was taken during 2013 year and carries interest @10.74% per annum. The Loan is repayable in 36 installments of Rs. 10,086 each along with interest from the date of Loan. The loan is secured by hypothecation of car of the company.

ICICI Loan No - LADEL00026874591 was taken during 2013 year and carries interest @9.09% per annum. The Loan is repayable in 36 installments of Rs. 111,450 each along with interest from the date of Loan. The loan is secured by hypothecation of car of the company.

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Loan Taken for Fixed Assets		
BOB TL - 21000600000514	5,726,604	5,726,604
BOB TL - 21000600000515	4,216,683	4,549,404
OBC TL - 11167015000461	5,010,600	2,919,000
	14,953,887	13,195,008

Term Loan-1 (Bank of Baroda) Closing balance Rs. 86.85 Lacs & **Term Loan -II** (Bank of Baroda) Closing balance Rs. 42.16 Lacs. The Term Loan is secured on the Plant and Machinery and Land and Building located at G-24-29 & 30, RIICO Industrial Area, Vigyan Nagar, Shahjahanpur, Dist. Alwar, Rajasthan owned by Vikas GlobalOne Limited. The term loan has been taken over from the existing loan of ICICI Bank Limited. The Rate of Interest is BR+2.75%. The term loan is repayable in equal monthly installment of Rs. 8.56 Lacs. The Period of Maturity for the TL-I from the Balance Sheet date is 9 months and for the TL-II 16 months.

Further limit is guaranteed by Personal guarantee of the following

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

Term Loan-III (Oriental Bank of Commerce) Closing balance limits Rs. 180.53 Lacs. The Term Loan is secured on the Plant and Machinery and Land and Building located at G-24-29 & 30, RIICO Industrial Area, Vigyan Nagar, Shahjahanpur, Dist. Alwar, Rajasthan owned by Vikas GlobalOne Limited. The loan was sanctioned on reviewed on 8.02.2014 on the existing term and conditions. . The Loan will be repayable in Equal Installments of Rs. 4.17 lacs per month. The rate of interest shall be BR+ 2%+.5%. The Period of Maturity from the Balance Sheet date is 41 months.

NOTE NO: - 8 TRADE PAYABLES

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Sundry Creditors	238,023,417	227,010,711
	238,023,417	227,010,711

NOTE NO: - 9 OTHER CURRENT LIABILBITES

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Service Tax payable	1,791,253	428,558
Advance From Customers *	64,201,609	13,687,091
Expenses Payable	5,247,469	5,346,127
Cheque Issued but not presented	62,689,510	27,814,499
Others	628,510	42,000
	134,558,351	47,318,275

*Advance from customers includes Rs. 61,277,112/- (Six Crores Twelve Lacs Seventy Seven Thousand One Hundred and Twelve) from the wholly owned subsidiary, Moonlite Technochem Private Limited and Sigma Plastic Industries which is a Partnership Firm in which Vikas Globalone Ltd holds 75% Shares and Vikas Ploymer (India) in which Director of Vikas Globalone Limited is also a Partner.

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Moonlite Technochem Private Limited	17,532,253	11,306,939
Sigma Plastic Industries	39,773,000	-
Vikas Polymer (India)	3,971,859	-
	61,277,112	11,306,939

NOTE NO: - 10 SHORT TERM PROVISIONS

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Dividend on Equity Shares	5,084,794	5,051,969
Dividend Distribution Tax	8,64,161	819,556
Current Tax Provision	4,916,367	565, 937
	10,865,322	6,437,462

NOTE: 11 FIXED ASSETS
COMPUTATION OF DEPRICIATION FOR THE F.Y. 2013-14 AS PER COMPANIES ACT

FIXED ASSETS											
PARTICULARS	GROSS BLOCK					DEPRICIATION				NET BLOCK	
	Rate	As at 31.03.2013	Addition	Deductio ns	As at 31.03.2014	As on 31.03.2013	For the Year	Dedu ction s	As on 31.03.2014	As on 31.03.2014	As on 31.03. 2013
Tangible Assets											
Leasehold Land	-	4,88,66,583	54,53,128	-	543,19,711	-	-	-	-	543,19,711	488,66,583
Building	5%	5,08,38,340	86,16,291	-	594,54,631	61,74,394	23,30,466	-	85,04,860	509,49,771	446,63,946
Plant & Machinery	13.91%	10,31,60,937	292,93,767	-	13,24,54,704	2,90,17,134	1,24,06,894	-	4,14,24,028	9,10,30,677	7,41,43,803
Furniture & Fittings	18.10%	20,81,150	9,35,707	-	30,16,857	9,80,182	2,98,545	-	12,78,727	17,38,130	11,00,968
Vehicles	25.89%	1,14,80,097	66,24,997	-	1,81,05,094	76,69,372	23,08,818	-	99,78,190	81,26,904	38,10,725
Office Equipments	13.91%	70,42,587	5,56,071	-	75,98,658	33,47,094	5,39,282	-	38,86,376	37,12,282	36,95,493
Computers	40%	38,13,199	5,00,069	-	43,13,268	26,08,712	5,85,715	-	31,94,427	11,18,841	12,04,487
Total (A)		22,72,82,893	5,19,80,030	-	27,92,62,923	4,97,96,888	1,84,69,719	-	6,82,66,607	21,09,96,317	17,74,86,005
Intangible Assets											
Goodwill	-	29,21,464	-	-	29,21,464	17,52,879	5,84,293	-	23,37,172	5,84,292	11,68,585
Total (B)		29,21,464	-	-	29,21,464	17,52,879	5,84,293	-	23,37,172	5,84,292	11,68,585
Total(Current year)		23,02,04,357	5,19,80,030	-	28,21,84,387	5,15,49,767	1,90,54,012	-	7,06,03,779	21,15,80,609	17,86,54,590
As on 31.03.2013		21,51,51,898	1,64,77,410	14,24,951	23,02,04,357	3,47,30,781	1,68,18,986	-	5,15,49,767	17,86,54,590	18,04,21,117

NOTE NO: - 12 NON- CURRENT INVESTMENTS
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Moonlite Technochem Private Limited *	34,710,336	24,710,336
Sigma Plastic Industries	18,505,845	50,711,179
LIC Group Insurance	344,060	-
	53,560,241	75,421,515

*Moonlite Technochem Private Limited is the wholly owned subsidiary of the company. Sigma Plastic Industries is a Partnership firm in which Vikas Globalone Limited holds 75% Sharing.

Investment in Sigma Plastic Industries Partnership Firm	Share of profit (in %)	
Name of Partners	AS AT 31-03-14	AS AT 31-03-13
Vikas GLobalOne Limited	75%	75%
Vikas Garg	15%	15%
Vivek Garg	10%	10%

NOTE NO: - 13 LONG TERM LOANS AND ADVANCES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Security Deposit	3,071,152	1,259,152
	3,071,152	1,259,152

NOTE NO: - 14 OTHER NON - CURRENT ASSETS
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Government Receivables	570,252	326,339
	570,252	326,339

NOTE NO: - 15 INVENTORIES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Finished Goods	10,321,690	18,750,511
Real Estate Inventory	24,356,621	24,356,621
Capital WIP-Real Estate	14,370,612	14,370,612
Traded Goods	4,887,269	-
Raw Material	181,951,081	208,459,304
Goods in transit/ WIP	2,598,335	9,080,658
Total	238,485,608	275,017,706

NOTE NO: - 16 TRADE RECEIVABLES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Outstanding for more than six months		
Unsecured, Considered Good :	28,611,837	28,220,093
Less: Provision for doubtful debts		-
Sub Total	28,611,837	28,220,093
Outstanding for less than six months		
Unsecured, Considered Good	509,846,309	335,395,580
Less: Provision for doubtful debts		-
Sub Total	509,846,309	335,395,580
	538,458,146	363,615,673

NOTE NO: - 17 CASH AND CASH EQUIVALANTS
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Cash-in-Hand		
Cash Balance	1,613,315	1,619,554
Sub Total	16,13,315	1,619,554
Bank Balance		
Bank Current Account	2,211,410	1,444,738
Unpaid Dividend Account*	599,550	436,558
Sub Total	2,810,959	1,881,296
	4,424,274	3,500,850

* There is no Amount in unpaid Dividend Account which is transferrable to Investor Protection fund Account.

NOTE NO: - 18 SHORT TERM LOANS AND ADVANCES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Security Deposit	13,372,226	6,006,990
Advance to Suppliers	70,764,283	20,372,560
Advance to Staff	1,161,862	353,399
Cenvat Credit Receivable	2,365,291	1,928,137
Tax Deducted at Source	4,321,631	3,433,441
MAT Credit	17,864,520	14,736,839
Advance Tax	1,000,000	1,500,000
PLA Excise	160,530	2,447
Others	64,244,593	70,569,003
	175,254,936	118,902,816

NOTE NO: - 19 OTHER CURRENT ASSETS
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Prepaid Expenses	1,485,856	2,688,225
	1,485,856	2,688,225

NOTE NO: - 20 REVENUE FROM OPERATIONS
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Sales of Product	1,667,664,112	1539,028,173
Other Operative Income		
Revenue Franchise	24,671,153	24,278,001
Other Operative Income	4,500,000	4,626,569
	1,696,835,265	1,567,932,743

Sales of Product includes following transactions with the related party:

PARTICULARS	AMOUNT
Moonlite Technochem Private Limited	27,063,030
Sigma Plastic Industries	10,204,423
Vikas Polymers (India)	8,256,313

NOTE NO: - 21 OTHER INCOME
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-14
Commission & Interest Income	8,751,888	2,997,509
Job Work	880,850	-
Other Non-Operating Income		
Profit on disposal of Tangible Assets	-	-
Excise Refund	4,246,059	7,545,579
Rental Income	147,751	197,738
Other Receipts	5,046,741	2,133,791
	19,073,289	12,874,617

NOTE NO: - 22 COST OF MATERIAL CONSUMED
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Inventory at the beginning		
Raw Material	230,390,940	121,043,516
	230,390,940	121,043,516
Add: Purchases		
Raw Material	814,734,479	864,303,095
	814,734,479	864,303,095
Add/Less: Other Adjustment		
Raw Material		-
Less: Inventory at the end		
Raw Material	194,871,106	230,390,939
	194,871,106	230,390,939
	850,254,313	754,955,672

(In Rupees)

PARTICULARS	OPENING	PURCHASES	CLOSING	CONSUMPTION
Tin Alloy	9,311,482	62,382,848	9,334,140	62,360,190
Ethylhexyl Thioglycolate	7,889,219	2,432,083	2,938,856	7,382,446
Tinmate	261,417	102,804,532	1,463,413	101,602,536
Industrial Chemical-2EHTG	3,306,262	20,864,275	921,526	23,249,011
PVC Compound	13,305,176	46,681,124	-	59,986,300
TPR Compound	1,188,464	305,795,842	4,063,568	302,920,738
Hydrogen Peroxide 60%50	4,491,176	16,602,538	3,122,556	17,971,158
RSO Refined Soyabean Oil	7,423,739	89,539,853	139,035	96,824,557
Styrene Butadiene Copolymer	2,082,783	86,562,184	35,437,347	53,207,620
Thermal Plastic Elastomer	14,145,585	11,790,609	-	25,936,194
Methyl Chlori De Pure(Gas)	239,259	25,447,966	254,877	25,432,348
Others	166,746,378	43,830,625	137,195,788	73,381,215
Grand Total	230,390,940	814,734,479	194,871,106	850,254,313

DETAILS OF MATERIAL CONSUMED

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Raw Material		
Consumption Raw Material	850,254,313	754,955,672
	850,254,313	754,955,672

NOTE NO: - 23 PURCHASES OF STOCK IN TRADE

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Purchase of traded goods	606,896,999	610,392,461
	606,896,999	610,392,461

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

PARTICULARS	AMOUNT
Moonlite Technochem Private Limited	142,966,557
Sigma Plastic Industries	12,255,720
Vikas Polymers (India)	6,464,000

NOTE NO: - 24 CHANGES IN INVENTORIES

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Opening Stock	24,356,621	36,757,919
Closing Stock	29,243,890	24,356,621
(Increase)/Decrease in Inventory	(4,887,269)	12,401,298

NOTE NO: - 25 EMPLOYEE BENEFITS EXPENSES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Salary including Employee Benefits	30,519,451	23,847,429
Wages Including Benefits	1,187,205	1,039,235
Labour/Job Work Charges	3,550,310	1,000,021
Staff Welfare Expenses	811,659	946,566
Director Remuneration	360,000	360,000
	36,428,625	27,193,251

NOTE NO: - 26 FINANCE COST
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Interest		
Interest on Long Term Loans from Banks	8,044,680	4,077,013
Interest on other Borrowing	48,179,144	31,044,186
Other Borrowing Cost		
Other Financing Charges	8,010,446	9,506,349
Total	64,234,270	44,627,548

NOTE NO: - 27 DEPRECIATION AND AMORTIZATION EXPENSES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Depreciation	18,469,719	16,234,693
Amortization	584,293	584,293
	19,054,012	16,818,986

NOTE NO: - 28 OTHER EXPENSES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Manufacturing and other Direct Expenses		
Custom Duty	16,829,404	13,021,145
Freight	18,952,199	15,101,821
Loading and Unloading expenses	2,208,054	2,295,863
Power and fuel	15,363,390	13,410,537
Demurrage and Inland Haulage Charges	12,760,595	10,729,041
Consumption of Stores and Spare Parts	762,428	1,012,751
Other Expenses	416,047	-
Administrative Expenses		
Foreign Exchange Fluctuation	5,710,078	6,009,973
Legal and Professional Charges	2,049,909	1,837,596
Conveyance Charges	935,502	732,846
Advertisement Expenses	2,175,416	1,488,492
Rent	6,83,752	1,110,380
Electricity Expenses	984,335	4,17,157
Communication Expenses	1,277,576	1,493,697
Tour and Travelling Expenses	1,865,993	3,213,069
Vehicle Running Expense	964,083	782,325
Repair and Maintenance of Plant and Machinery	133,787	1,069,335
Repair and Maintenance Expenses	1,246,150	250,515
Repair and Maintenance Building	82,408	319,059
Security Charges	1,383,738	1,127,253
Rates and Taxes	559,639	479,669
Insurance Expenses	1,208,526	591,676
Printing and Stationery	581,828	638,029
Director Sitting Fees	100,000	160,000
Statutory Auditors Remuneration	320,600	320,600
Internal Auditor Remuneration	493,110	522,100
Rebate and Discount	-	833,924
Commission paid	423,843	315,273
Miscellaneous Expenses W/off	255,598	123,876
Prior Period Expenses	7,882,307	26,092
Other Interests	327,378	518,114
Other Expenses	7,516,643	5,176,634
	106,454,318	85,128,842

29) Commitments

- a) **Capital commitment:** There are no contracts remaining to be executed on capital account and not provided for as at 31 March, 2014.
- b) **Lease commitment:** The Company has taken various premises on operating leases. The lease rental of Rs. 1,281,500/- (Previous year Rs. 1,470,000/-) has been charged to Profit and Loss Account for the year ended March 31, 2014. 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 sub leases

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

(In Rupees)		
MINIMUM LEASE RENTALS	AS AT 31-03-14	AS AT 31-03-13
Within one year	1,074,000	1,470,000
Later than one year, not later than five years	294,000	-
Total	1,368,000	1,470,000

- 30) There is no significant event that has been taken place after the date of Balance Sheet.
- 31) There is a Contingent Liability in form of Bank Guarantee of Rs. 1,412,200/- and Rs. 157,330,551/- in respect of LC and duty saved against advance license is Rs. 53,495,888/-.The Company has given Corporate Guarantee to the Bank of RS 160,000,000/-and 60,000,000/- for Moonlite Technochem Private Limited which is 100% subsidiaries of Vikas Globalone Limited and Sigma Plastic Industries which is a Partnership firm in which Vikas Globalone Limited holds 75% Shares.

32) Details of pending cases are given below:-

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Disputed demands/ show-cause notices under:-		
-Direct Taxes		
• Income Tax cases*	3,144,000	3,144,000
-Indirect Taxes		
• Customs Duty cases	533,266	533,266
• VAT	88,000	88,000
• VAT (2011-2012) (Appeal pending Before Special Commissioner, Department of Trade and Taxes)	9,067,107	9,067,107

*Note: The Appeal is pending in ITAT and rectification pending with AO.

Company has filed Civil Suit against ADM Agro Industries Kota and Akola Limited supplier of Soya Bean Oil in High Court Delhi **case No-CS OS No-198/214** of Amounting Rs.9, 961,516/- due to poor supply of soya bean oil. Company has suffered a loss due to such poor quality of material supplied by them and non recovery of money from debtors and it also affect goodwill of the Company. The ADM Agro Industries Kota and Akola Limited is also filed winding up Petition against company in High Court case no CO PET No-64/2014 due to non-payment of Rs 4,115,664/- along with interest at the rate of 18% from the due date of payment.

33) 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:

- a) Chemical Division
- b) Real estate Division

The geographical Segment consists of:

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

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

Purchase directly attributable to segments is reported based on items that are individually identifiable to that segment.

Common allocable costs are allocated to each segment to that common cost.

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Segment Revenue		
Chemical Division	1,711,408,554	1,576,180,791
Real Estate Division	4,500,000	4,626,569
Total	1,715,908,554	1,580,807,360
Segment Expenditure		
Chemical Division	1,610,994,331	1,499,850,649
Real Estate Division	22,000	1,172,994
Total	1,611,016,331	1,501,023,643
Segment Results		
Chemical Division	100,414,223	76,330,142
Real Estate Division	4,478,000	3,453,575
	104,892,223	79,783,717
Less : Interest	64,234,270	44,627,649
Profit before Tax	40,657,953	35,156,068
Capital Employed		
Chemical Division	376,516,000	344,369,770
Real Estate Division	24,357,000	24,356,621
Total	400,873,000	368,726,391

Geographical Revenue		
Domestic Revenue	1,425,868,198	1,387,100,864
Export Revenue	290,040,356	193,706,496
Total Revenue	1,715,908,554	1,580,807,360

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.

- 34) 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.
- 35) Goodwill: Goodwill arises upon the acquisition of subsidiaries, associates and Joint venture. Goodwill is amortised over the 5 years from the financial year in which the acquisition is accounted for. During the year a sum of Rs 584,393/- has been amortized and has been shown under the schedule of Fixed Assets “**Schedule No-11**”.
- 36) 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, 2014 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.
- 37) In the opinion of the Board of Directors, no provision is required to be made against the recoverability of these balances except provided.
- 38) Employee Benefit Obligation:-
During year ended March 31, 2014 the Company has contributed Rs. 300,692/- to provident fund under defined contributions plan of Employees’ Provident Fund and Miscellaneous Provisions Act, 1952.

During the year ended 31st March 2014, the Company has made a provision of Rs 1,376,240/- in respect of provision for gratuity and defined benefits as per actuarial valuation made as per AS-15.

The Company has taken Group Gratuity Scheme for the employees from the LIC of India. Contribution made by the during the year is Rs 344,060/- and total contribution payable is Rs 1,376,240/- and balance amount is payable in other 3 installments in next Financial Year.

The Actuarial data for Group Gratuity Scheme is as follows:

PARTICULARS	Amount (in Rs)
Initial Contribution	1,063,234
Additional Contribution on Existing Fund	-
Current Service Cost	296,748
LC Premium	16,258
Total Amount Payable	1,376,240

- 39) 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.

40) Prior Period Items: -

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Expenses:-		
Legal & Professional charges	34,155	-
Telephone expenses	-	18,663
Provident Fund	-	565
Staff Welfare	-	6,864
Freight charges	188,000	-
Deferred Employee Compensation A/c	7,551,094	-
General Exp	85,699	-
Dividend Distribution Tax	23,259	-
Total	7,882,207	26,092

41) 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
Associates holds (75% Share)	Sigma Plastic Industries (Partnership Firm)
Key Management Personnel	Mr. Vikas Garg (Managing Director) Mr. Vivek Garg (Whole Time Director)
Relative of Key management Personnel	Mr. Nand Kishore Garg, Mrs. Usha Garg, Mrs. Seema Garg, Mrs Namita Garg
Other Related Parties	Vikas polymer Land Private Limited, Suku Innovatives, R.P.Gupta, Vikas polymer (India)

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

(In Rupees)

NATURE OF TRANSACTION	SUBSIDIARY	ASSOCIATES	KMP & RELATIVE	Other Relates Parties	TOTAL
Sales	27,063,030	10,204,423	-	8,256,313	45,523,766
Purchase	142,966,557	12,255,720	-	6,464,000	161,686,277
Investment in shares	27,631,800	18,505,845	-	-	46,137,645
Rent Paid	-	-	1,196,500	-	1,196,500
Director Remuneration	-	-	360,000	-	360,000
Unsecured Loan	-	-	-	-	-
Receipt and Payment	-	-	-	26,62,300	26,62,300
TOTAL	197,661,387	40,965,988	1,556,500	17,382,613	257,566,488

PARTICULARS	Amounts (in Rs)
A. FIXED ASSETS	
Assets Purchased during the year	
Related party	-
Assets Sold during the year	
Related party	-
B. NON CURRENT INVESTMENT	
Subsidiaries	
Opening Balance	24,710,336
Purchased/Subscribed during the year	10,000,000
Closing Balance	34,710,336
Associates	
Opening Balance	50,711,179
Purchased/Subscribed during the year	3,184,666
Withdraw During the year	35,390,000
Closing Balance	18,505,845
C. TRADE RECEIVABLES AS ON 31ST MARCH	
Subsidiaries	-
Associates	-
Other Related Party	-
D. ADVANCES TO CUSTOMER GIVEN AS ON 31ST MARCH	
Subsidiaries	-
Associates	-
Other Related Party	-
E. ADVANCES RECEIVED FROM CUSTOMER AS ON 31ST MARCH	
Subsidiaries	17,532,353
Associates	39,773,000
Other Related Party	3,971,859
F. TRADE PAYABLE AS ON 31ST MARCH	
Subsidiaries	-
Associates	-
Other Related Party	-
G. REVENUE FROM OPERATION AS ON 31ST MARCH	
Subsidiaries	27,063,030
Associates	10,204,423
Other Related Party	8256,313
H. CORPORATE GURANTEES GIVEN AS ON 31ST MARCH	
Subsidiaries	160,000,000
Associates	60,000,000
Other Related Party	-

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.

42) **Earnings per share:-**

Basic earnings per share are computed by dividing the net profit/ (loss) attributable to equity shareholders, for the year by the weighted average number of equity shares outstanding during the year.

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Net Profit/(Loss) After Tax as per Profit & Loss Account (in Rs)	33,245,537	34,228,273
Weighted average no of shares outstanding during the year	101,041,169	101,039,370
Basic and diluted Earnings Per Share (in Rs)*	.33	.34
Nominal value per Equity Share (in Rs)*	1/-	1/-

*During the year, a stock split occurred when the Board of Directors of the company authorize a change in the face value or stated value of shares from Rs 10/- per share to Rs 1/- per share. Therefore to make figure of current year comparable with the previous year, the previous year no of equity shares has been shown as 101,039,370 equity shares of Rs 1/- instead of actual 10,103,937 equity shares of Rs 10/- each.

43) **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.118,162 /- (Previous year Rs. 538,511/-) during the year ended March 31, 2014.

The breakup of Deferred Tax Liabilities into major components as at March 31, 2014 is as under:

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
DEFERRED TAX LIABILITIES		
Arising on account of temporary differences due to:		
Excess of Book WDV of Fixed Assets over Tax WDV of Fixed Assets	3,520,136	3,401,974
Total	3,520,136	3,401,974

44) In the AGM of the Company held on 28th September 2011, the members of the company passed a resolution for introducing a Stock Compensation Plan called the Employees Stock Option scheme,2011(ESOS 2011), for the benefit of employees of the Company. The resolution also accorded approval for the Board of Directors, to formulate the Scheme as per board parameters outlined in the resolution, either directly or through a committee. Accordingly, a committee of directors called Compensation committee was constituted. The Scheme has been approved by the Stock exchange on 7th May 2012 (NSE) and 2nd May 2012 (BSE). The Compensation Committee at its meeting held on 2nd June 2012 has granted Stock Option to the eligible employees and accordingly the option will be granted shall vest over a period of 3 years, or as may be decided by the CC, as per schedule as under

Year from the date of Grant	Vesting of Options Granted
End of first Year	30 % of the Grant
End of Second Year	30 % of the Grant
End of third year	40 % of the Grant

There shall be a minimum period of one year between grant date and the vesting period for the first lot of vesting of granted options. The interval between the subsequent lots shall be one year.

During the year the Company has granted shares on compensation meeting held on 31st March 2014 under Employee stock option as per scheme made by company in year 2011(ESOP 2011). The no of shares vested by allottees under scheme is 656,500 shares of Rs 1/- (Face Value of Rs.10 each). Details are as follows

PARTICULARS	NO OF OPTIONS
Option Granted	3,695,000
Pricing Formula	Face Value
Options Outstanding, beginning of the Year	2,615,000
No of Options given to Employees in First year (30% of total no of options)	784,500
Less-No of Options Exercised by Employees	656,500
No of Options Forfeited by Employees	1,28,000
Options Outstanding, end of the year	1,830,500

- 45) The Company has not entered into any foreign exchange derivative instruments during the year.
- 46) 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. 965,934/- arising out of amalgamation is shown under the head Capital Reserve Account.
- 47) During the year Company has transferred a sum of Rs 75.51/- Lacs relating to Employee Compensation Expenses to prior period expenses being expenses relating to previous year.
- 48) 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	AS AT 31-03-14	AS AT 31-03-13
Salaries	360,000	360,000
Employer's Contribution to Provident Fund	-	-
TOTAL	360,000	360,000

b. Auditors remuneration:

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Audit Fees & Tax Audit	320,600	320,600

c. Expenses incurred in foreign currency during the year ended March 31, 2014 aggregates to:-
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-14
Expenditures:-		
Purchase	410,090,370	379,590,659
Foreign Travelling	544,254	1,693,627
TOTAL	410,634,624	381,284,286

d. CIF value of imports:

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Raw Material Purchased	410,090,370	379,590,659
Capital Goods(Including Spares)	-	-
TOTAL	410,090,370	379,590,659

e. CIF value of export made during the year included in the sales amounting Rs. 290,040,356.32/- (Previous Year: Rs. 193,706,496/-)

49) **Disclosures as required by Clause 32 of the Listing Agreement**

Particulars	AS AT 31-03-14	AS AT 31-03-13
A. LOANS AND ADVANCES		
Loans and Advances given to Subsidiary		
- Moonlite Technochem Private Limited	-	-
Loans and Advances given to Associates		
- Sigma plastic Industries	-	-
B. CONSUMPTION OF RAW MATERIAL		
- Raw Material Consumed	850,254,313	754,955,672
C. DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS STOCK		
- Imported	236,982,325	194,468,441
- Indigenous	613,271,988	560,487,231
D. EARNING IN FOREIGN EXCHANGE		
- Sale of Goods	290,040,000	193,700,000

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

AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying **Consolidated financial statements of M/s Vikas Globalone Limited** (VGL "the Company"), and its Subsidiary and its Associates (VGL "Group") which comprise the **Consolidated Balance Sheet as at March 31, 2014, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended**, and a summary of significant accounting policies and other explanatory information. As we have not Audited the Financial Statements of the Subsidiary, While preparing the Consolidated financial Statement we have relied on the Audit report and notes of the fellow Auditors who have audited the same.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September' 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act' 2013 and in accordance with the accounting principles generally accepted in India.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the **Consolidated Balance Sheet, of the state of affairs** of the Company as at March 31, 2014;

(b) in the case of **the Consolidated Profit and Loss Account**, of the **profit** for the year ended on that date; and

(c) in the case of the **Consolidated Cash Flow Statement**, of the **cash flows** for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c. the Consolidated Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the Consolidated Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
- e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For R S P H & Associates.

Chartered Accountants

Firm's Registration Number :- 003013N

(Tarun Kumar Batra)

(Partner)

Membership Number :- 094318

Place :- New Delhi

Date :- 24.05.2014

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014
(In Rupees)

PARTICULARS	NOTE	AS AT 31-03-14	AS AT 31-03-13
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	101,695,870	101,039,370
Reserves and Surplus	3	318,531,964	275,573,103
Minority Interest		1,390,361	3,853,806
Non-Current Liabilities			
Long-term borrowings	4	80,310,689	58,151,423
Deferred tax liabilities (Net)	5	3,105,931	2,925,729
Other Long-term Liabilities	6	1,376,240	706,274
Current Liabilities			
Short-term borrowings	7	589,048,565	481,136,421
Trade payables	8	346,931,393	334,997,986
Other current liabilities	9	85,180,769	82,979,371
Short-term provisions	10	13,652,779	8,029,024
TOTAL		1,541,224,561	1,349,392,507
ASSETS			
Non-current assets			
Fixed assets			
-Tangible Assets	11	228,429,498	196,119,565
-Intangible Assets		584,292	1,168,585
Deferred tax assets (net)			-
Non - Current Investment	12	344,060	
Long term loans and advances	13	3,241,459	1,518,779
Other non-current assets	14	8,840,389	8,613,682
Current assets			
Inventories	15	262,600,425	298,166,025
Trade receivables	16	794,492,991	687,637,459
Cash and cash equivalents	17	5,031,256	5,346,533
Short-term loans and advances	18	191,508,729	148,133,654
Other Current assets	19	46,151,462	2,688,225
TOTAL		1,541,224,561	1,349,392,507

Notes Forming Part of Financial Statement

1-50

As per our report of even date attached

FOR RSPH & ASSOCIATES

Chartered Accountants (Firm Regn No: 003013N)

For and on Behalf of the Board

C.A TARUN KUMAR BATRA

Partner (Membership No:094318)

VIKAS GARG

Managing Director

SUMER CHAND TAYAL

Director

PLACE : NEW DELHI
RAJESH KAUSHIK
SUNIL MALIK

DATE : 24.05.2014

GM Accounts & Finance

Company Secretary

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014 (In Rupees)

PARTICULARS	NOTE	FOR THE PERIOD ENDED ON 31-03-14	FOR THE PERIOD ENDED ON 31-03-13
Revenue			
Revenue from Operations		2,577,848,123	2,598,910,599
Less: Excise Duty		(77,917,329)	(77,484,697)
Net Sales	20	2,499,930,794	2,521,425,902
Other Income	21	28,486,245	20,412,108
Total Revenue		2,528,417,039	2,541,838,010
Expenses			
Cost of Material Consumed	22	863,768,907	792,071,309
Purchases of Stock-in-Trade	23	1,340,907,589	1,462,400,255
Changes in inventories of finished goods	24	(5,853,766)	19,607,394
Employee benefit expense	25	38,380,846	30,497,838
Financial costs	26	91,548,114	64,376,029
Depreciation and amortization expense	27	21,663,529	19,658,811
Other Expense	28	130,003,431	111,972,877
Total Expenses		2,480,418,650	2,500,584,513
Profit before exceptional, extraordinary and Tax		47,998,389	41,253,497
Exceptional Item		-	-
Profit before extraordinary and Tax		47,998,389	41,253,497
Extraordinary Items			
Profit before tax		47,998,389	41,253,497
Tax expense:			
Current tax		(7,703,824)	(2,157,499)
Deferred tax		(180,202)	(619,526)
Mat Credit Availed		(2,781,195)	
Excess/ Short provision relating earlier year tax		(127,674)	164,455
Profit(Loss) from the period from continuing operations		37,205,495	38,640,927
Profit/(Loss) from discontinuing operations		-	-
Tax expense of discounting operations		-	-
Profit/(Loss) from Discontinuing operations		-	-
Profit/(Loss) for the year before Minority Interest		37,205,495	38,640,927
Minority Interest		(1,061,555)	(1,955,589)
Profit/(Loss) for the period		36,143,939	36,685,338
Earning per equity share:			
(1) Basic (Note no-41)		0.36	0.36
(2) Diluted (Note no-41)		0.36	0.36

Notes Forming Part of Financial Statement

1-50

As per our report of even date attached

FOR RSPH & ASSOCIATES

Chartered Accountants (Firm Regn No: 003013N)

For and on Behalf of the Board

C.A TARUN KUMAR BATRA**VIKAS GARG****SUMER CHAND TAYAL**

Partner (Membership No:094318)

Managing Director

Director

PLACE : NEW DELHI**RAKESH KAUSHIK****SUNIL MALIK**

DATE : 24.05.2014

GM Accounts & Finance

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH 2014 (In Rupees)

PARTICULARS	FOR THE PERIOD ENDED ON 31-03-14	FOR THE PERIOD ENDED ON 31-03-13
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit (loss) before extraordinary items	47,998,389	41,253,497
Adjustments for:		
Depreciation	21,079,236	19,074,518
Amortization	584,293	584,293
Employee stock option	12,763,877	-
Provision for income tax	-	164,455
interest expenses	91,548,114	64,376,029
interest on current investments	(6,790,055)	(4,386,502)
Operating Profit (Loss) before working capital changes	167,183,854	121,066,290
Adjustments for:		
(increase)/Decrease in inventories	35,565,600	(79,286,150)
(increase)/Decrease in trade receivables	(106,855,532)	(286,043,947)
(increase)/Decrease in other current assets	(43,463,237)	123,876
(increase)/Decrease in loans and advances	(40,015,585)	(10,498,889)
(increase)/Decrease in trade payables	11,933,407	176,638,334
(increase)/Decrease in other liabilities	(405,303)	(1,348,439)
(increase)/Decrease in provisions	669,966	1,113,295
Cash generated from operations	24,613,170	(78,235,630)
Direct taxes (paid)/refunded	(10,375,246)	(2,157,499)
Net Cash flow from (used)in operating activities	14,237,924	(80,393,129)
B.CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(53,389,168)	(19,122,842)
Purchase /Sale of other Investments	(344,060)	50,000
Sale of tangible fixed assets	-	1,753,861
Other interest received	6,790,055	4,386,502
Other investing activities net	(1,061,555)	(1,955,589)
Net cash flow from (used) in investing activities	(48,004,729)	(14,888,068)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings		904,816
Proceeds from short term borrowings	107,912,144	160,078,533
Repayments of long term borrowings	22,159,266	-
Interest Paid on bank borrowings	(91,548,114)	(64,376,029)
Proceeds from issuance share capital on exercise of stock option	656,500	-
Dividend paid	(4,908,713)	(5,051,969)
Dividend distribution tax paid on equity shares	(819,557)	(819,556)
Net cash flow from (used) in financing activities	33,451,528	90,735,795
Net increase (decrease) in cash and cash equivalents	(315,227)	(4,545,402)
Cash and Cash Equivalents at the beginning of the year	5,346,533	9,891,935
Cash and Cash Equivalents at the end of the year	5,031,256	5,346,533

Notes Forming Part of Financial Statement FOR RSPH & ASSOCIATES

Chartered Accountants (Firm Regn No: 003013N)

For and on Behalf of the Board

C.A TARUN KUMAR BATRA
VIKAS GARG
SUMER CHAND TAYAL

Partner (Membership No:094318)

Managing Director

Director

PLACE : NEW DELHI
RAJESH KAUSHIK
SUNIL MALIK
DATE : 24.05.2014

GM Accounts & Finance

Company Secretary

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 (NSE), Bombay Stock Exchange (BSE) and Delhi Stock Exchange (DSE).

The company is engaged in the business of manufacturing and distribution of 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.

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, and 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 (where Vikas Globalone Limited holds 75% Share) 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 Enterprise of the Vikas GlobalOne Limited. The firm has sound financial track records.

2. Summary of significant accounting policies

a. Basis of presentation:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) (which continues to be applicable in terms of General circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013), other relevant provisions of the Companies Act, 1956(to the extent applicable), the provisions of Companies Act, 2013 (to the extent notified) & guidelines issued by the SEBI. The accountings policies have been consistently applied by the Company are consistent with those used in the previous year.

b. 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 and associates, unless otherwise stated.

c. Principles of Consolidation:

The Consolidated Financial Statements comprise of the Financial Statements of Vikas Globalone Limited (“Parent Company”) and it’s Subsidiary Enterprises and associated concerns. 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 unrealised 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.

d. Minority Interest:

Minority interest is the net worth of consolidated subsidiaries consists of the amount of equity attributable to the Minority shareholders at the date on which investments in the subsidiary companies are made and further movement in their shares in the equity subsequent to the date of investments.

e. 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.

f. 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 01,2013 to March 31, 2014
Sigma Plastic Industries (Partnership Firm)	75.00%	April 01, 2014 to March 31, 2014

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

g. 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.

h. Inventories

- vii) Raw Material/Trading is valued at lower of cost OR net realizable value.
- viii) 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.
- ix) Packing Material, stores & spares parts are valued at lower of moving weighted average cost and net realizable value.
- x) Inventory on construction activities has been valued at cost incurred.
- xi) Obsolescence: Obsolete, slow moving & defective inventories are identified at the time of physical verification of inventories & wherever necessary provision is made for such inventories.
- xii) Shortage / Excess of Packing Material, Stores & spares parts and finish goods arising from physical verification are charged/adjusted to consumption/production.

- i. Prior Period Items:** Significant items of Income and Expenditure which relates to prior accounting period are accounted in the statement of profit and loss under the head “**prior period items**” other than those occasioned by events occurring during or after the close of the year and which are treated as relating to the current year.

j. Fixed assets, depreciation and amortization:

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.

k. Impairment of Assets:

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 five 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. 100 % Provision has been made in case the realizable value is uncertain.

m. Revenue recognition

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

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

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

Construction Contract:-The Company follows 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.

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.

n. 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.

o. 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.

p. 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.

q. 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.

r. Cash Flow Statement

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

s. Employees retirement benefits

➤ **Short Term Employee Benefits:**

Short term employee benefits are recognized as Expenditure in the profit and loss accounts of the year in which the related services are rendered.

➤ **Post Employment Benefits:**

• **Defined Contribution plans:**

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

• **Defined Benefit Plans:**

Gratuity are covered under the Gratuity Policy respectively, of Life Insurance Corporation of India (LIC). The Present Value of the Obligation is determined by using projected unit Credit method. Actuarial Gains and Loss rising on such valuation are recognized immediately in the profit and loss account. During the year company has taken new gratuity policy.

t. 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.

Minimum Alternative Tax (MAT) paid in accordance with the Tax Laws in India, which give rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the company and its subsidiary will pay normal income tax after the tax holiday period. Accordingly MAT is recognized as an asset in the Balance Sheet when the asset can be measured and it is probable that the future economic benefits associated with.

u. 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.

v. 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.

- v). **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.
- vi). **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.
- vii). **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.
- viii). **Forward Exchange Contract:** In case of forward Exchange contract, difference between the forward rates and the exchange rate on the date of transaction is recognized as expenses or income over the life of the contract. Exchange difference on such contract is recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or expenses for the year.

w. Government Grants:

Government grants are recognized when there is reasonable assurance that the group will comply with the condition attaching to them and grants will be received. Revenue grants are recognized in the statement of Profit and loss account. Capital grants relating to Specific Fixed Assets are reduced from gross value of respectively fixed assets and other grant are credited to capital reserve account.

x. Employee Stock Option Scheme:

The Company will follow the accounting guidelines which have been issued by Securities and Exchange Board of India under Section 11 of the Securities and Exchange board of India Act'1992 and SEBI (Employee Stock option Scheme and Employee Stock Purchase Scheme) Guidelines 1999.

NOTE NO: - 2 SHARE CAPITAL
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
AUTHORIZED CAPITAL		
(1,59,500,000 shares of Rs. 1 each) (Previous year it was 1,59,50,000 shares of Rs. 10 each)	159,500,000	159,500,000
ISSUED , SUBSCRIBED & PAID UP CAPITAL		
1,01,695,870 Equity Shares of Rs. 1/- each, Fully Paid up (Previous year it was 10,103,937 shares of Rs. 10 each)	101,695,870	101,039,370
	101,695,870	101,039,370

Reconciliation of the shares outstanding at the beginning and the end of the reporting year

PARTICULARS	AS AT 31-03-14		AS AT 31-03-13	
	No of Shares	Amount	No of Shares	Amount
Shares outstanding at the beginning of the year	10,103,937	101,039,370	10,103,937	101,039,370
Bonus Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares issued during the Year(ESOP)	656,500	656,500	-	-
Shares outstanding at the end of the year	101,695,870	101,695,870	10,103,937	101,039,370

Details of Shareholders holding shares more than 5% shareholding

PARTICULARS	AS AT 31-03-14		AS AT 31-03-13	
	No of Shares	%	No of Shares	%
Vikas Garg	23,644,900	23.25%	23,644,900	23.40%
Vikas Polymerland Private Limited	1,0,329,630	10.16%	1,0,329,630	10.22%
Goodlife Impex Private Limited	1,1,970,000	11.77%	1,1,970,000	11.85%
Alankit Assignments Limited	6,679,120	6.57%	6,679,120	6.61%

Equity shares: - The Company has only one class of Equity having a par value Rs. 1.00 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.

Sub-Division (Stock-Split) of Equity Shares:-During the year, a **Stock Split** occurred when a Board of directors of the company, authorize a change in the Face or stated value of shares from Rs. 10/- Per share to Rs. 1/- Per share. The Company announced a record date of March 31st, 2014 for the Purpose of face value split of shares from Rs.10 Per share to Rs. 1 per share. Company has also issue the Shares under Employee Stock Option Plan on 31st march 2014. After the stock split and Issue of shares under ESOP, the new face value of the shares is Rs. 1/- each

PARTICULARS	NO OF OPTIONS
Option Granted	3,695,000
Pricing Formula	Face Value
Options Outstanding, beginning of the Year	2,615,000
No of Options given to Employees in First year (30% of total no of options)	784,500
Less-No of Options Exercised by Employees	656,500
No of Options Forfeited by Employees	1,28,000
Options Outstanding, end of the year	1,830,500

NOTE NO: - 3 RESERVE AND SURPLUS
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Capital Reserves*		
Opening Balance	965,934	965,934
Add: Addition during the year	-	-
Less: Deletion during the year	-	-
Closing Balance	965,934	965,934
Securities Premium Account		
Opening Balance	69,500,000	69,500,000
Add: Addition during the year		-
(Receipt on Exercise of Employee Stock Option)	4,116,255	
Less: Deletion during the year	-	-
Closing Balance	73,616,255	69,500,000
Reserve and Surplus		
Opening Balance	205,107,169	174,293,357
Add: Addition during the year	36,143,939	36,685,338
Less: Deletion during the year	5,948,955	5,871,526
- Dividend Paid	5,084,794	5,051,969
- Dividend Distribution Tax	864,161	819,556
Closing Balance	235,302,153	205,107,169
Profit and Loss Account		
Opening As Per Last Balance Sheet		
Add: Addition during the year	36,143,939	36,685,338
Less: Deletion during the year	36,143,939	36,685,338
Closing Balance		-
Total Reserve and Surplus	309,884,342	275,573,103
Employee Stock Option**		
Employee Stock option Outstanding	11,477,235	-
Less-Deferred Employee Compensation Expenses	(2,829,613)	-
Closing Balance	8,647,622	-
Balance Carried forward to Balance Sheet	318,531,964	275,573,103

*Point No 41 of Note provide the details of the Capital Reserve

**Point No 43 in respect of Employee Stock Option

NOTE NO: - 4 LONG TERM BORROWING
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Term loans from banks		
Loan taken for vehicles secured	3,081,599	1,598,748
Loan taken for fixed assets secured	62,503,090	23,005,675
Loans from Others	14,726,000	33,547,000
	80,310,689	58,151,423

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Loan Taken on Vehicles		
HDFC - Vehicle Loan (Agreement No 24353585)	299,210	
HDFC - Vehicle Loan (Agreement No 25941597)	312,169	-
HDFC - Vehicle Loan (Agreement No 26670813)	585,404	-
ICICI Loan No - LADEL00026874591	1,466,812	
ICICI Loan No - LADEL00017599702	-	413,157
ICICI Loan No - LADEL00026826516	113,836	216,566
ICICI Loan No - LADEL00026622448	228,838	755,104
Kotak Mahindra Prime Limited (CF-8516210)	75,330	213,921
	3,081,599	1,598,748
Loan Taken for Fixed Assets		
BOB TL – 21000600000514	2,958,853	84,44,793
BOB TL – 21000600000515	-	41,70,284
OBC TL – 11167015000461	13,042,977	10,390,598
ICICI Bank Loan	46,501,260	-
	62,503,090	23,005,675
Loan taken from Others		
Loan from Individual	2,982,000	9,362,000
Loan from Corporate	11,744,000	24,185,000
	14,726,000	33,547,000
Total	80,310,689	58,151,423

NOTE NO: - 5 DEFERRED TAX LIABILITIES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Deferred Tax Liability		
Deferred Tax Liability depreciation	3,712,404	3,401,974
Gross Deferred Tax Liability	3,712,404	3,401,974
Deferred Tax Assets		
Deferred Tax Assets Fixed Assets	606,473	476,245
Gross deferred tax Assets	606,473	476,245
Net Deferred Tax Assets		
Net Deferred Tax Liability	3,105,931	2,925,729

NOTE NO: - 6 OTHER LONG TERM LIABILITIES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Provision for Gratuity	1,376,240	706,274
	1,376,240	706,274

NOTE NO: - 7 SHORT TERM BORROWING
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Secured		
Cash Credit from Bank Secured	568,254,988	465,124,630
Current Maturities of the Loan taken for vehicles	2,999,558	2,816,783
Current Maturities of the Loan taken for fixed assets	17,794,019	13,195,008
	589,048,565	481,136,421

CASH CREDIT FACILITIES
VIKAS GLOBALONE LIMITED

The Company is availing a cash credit (Hypo) limit of Rs. 2,700 Lacs which include PCFC Limit of RS 500 Lacs from **Oriental Bank of Commerce** against Hypothecation of stock, receivable, advance to suppliers and other current assets on pari passu basis with Bank of Baroda. No DP against stock and Book debts exceeding 180 days. The rate of interest is Bank Base Rate + 2.00% which at present is 12.25% p.a. Further the Company is also availing LC (Import) DA/DP basis on Fund Based Limit of Rs. 1,800 Lacs for procurement of Raw Material and spares. Cash Margin is 20% in the shape of FDR.

The Company is also availing Cash Credit limit of Rs. 1,320 Lacs from **Bank of Baroda** with a sublimit FCNR(B) of Rs. 990 Lacs & Sub limit of FBP/FBD of Rs. 330 Lacs under the same Cash Credit limit. The limit is secured by way of hypothecation of stock, receivables & other current assets on pari passu basis on the OBC. DP shall be permitted against receivable upto 180 days. Margin is 25% & Rate of interest is BR+3.00 %. Further the Company is availing Non Fund Based LC (Import/Inland/DP/DA/BG). Buyers Credit of Rs. 800 Lacs for procurement of raw material and spares. Cash Margin is 20% in the shape of FDR.

Further the limit is secured on following Collateral Properties:

1. Residential Property bearing Khasra No. 14/5/2 6min, 15/1/2, 9/2 & 10 mn Vill Ghevra, Near Mundka Railway Crossing, Delhi owned by Mr. Seema Garg and Mr. Namita Garg.
2. Roof 34/1 East Punjabi Bagh, New Delhi owned by Vikas Globalone Limited.
3. Industrial property at Industrial Growth Centre, Phase 1, Samba, Jammu owned by Vikas Globalone Limited.
4. Residential property situated at Khasra no. 710/201 in Village Rithala, Delhi owned by Mr. Vivek Garg.
5. Property situated at A-28 Khasra No. 12/10 and 13/6 Village Kamruddi Nagar Nangloi owned by M.s Seema Garg and Ms. Usha Garg.
6. Residential property situated at B-1, Upper Basement floor, 1/34, Punjabi Bagh, New Delhi owned by Ms. Usha Garg.
7. Mortgage of Agricultural land situated at village Sultanpur Dabas held owned by Vikas GlobalOne Limited.
8. Plot of land situated at Khasra No. 142/132, situated at Village Khanjawala, Delhi owned by New Age Polypacks Coats Private Limited.
9. Exclusive Equitable mortgage of factory land and building situated at G-24-29, RIICO Industrial Area, Vigyan Nagar, Shahjahanpur, Dist. Alwar, Rajasthan owned by Vikas GlobalOne Limited.
10. Exclusive Equitable mortgage of factory land and building situated at G-24-29, RIICO Industrial Area, Vigyan Nagar, Shahjahanpur, Dist. Alwar, Rajasthan owned in the name of Vikas GlobalOne Limited.

Further limit is guaranteed by Personal guarantee of the following

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

MOONLITE TECHNOCEM PRIVATE LIMITED

The Company is availing a cash credit (Hypo) limit of Rs. 800.00 Lacs with the sublimit of FCL of Rs. 300.00 Lacs from **Union Bank of India** against Hypothecation of stock and Book debts

The rate of interest is Bank Base Rate + 3.25% which works out to be 13.25% and Margin is 25%. Further the Company is availing Non Fund Based LC (Import/Inland/DP/DA/BG). Buyers Credit of Rs. 700.00 Lacs against Stocks/ Receivable arising under LC transactions & Pledge of Term Deposit Receipts \

Further the limit is secured on following Collateral Properties:

1. EM L&B at Katani No. 341, Plot No. WZ-47-A Basai Dara Pur, New Delhi in the name of Sh. Jai Hind Kumar Gupta
2. EM property out of Kasra No 142/704, Extended Lal Dora Abadi of Village Kanjhawala, Delhi-81 in the name of Smt. Seema Garg
3. EM of flat No. 6(1st Floor) on Plot No. 1/34, Punjabi Bagh (E), New Delhi in the name of Smt. Seema Garg.
4. EM of Lal Dora Land plot No. 749 (800 Sq Yds), Kh No. 142/749, Village Kanjawala, in the name of Sh. Vivek Garg
5. EM of flat No. GF-1 (GF) on plot no. 1/34, Punjabi Bagh (East) New Delhi in the name of Smt. Seema Garg.

Further limit is guaranteed by Personal guarantee of the following;

1. Mr. Vishesh Gupta
2. Mr. Parmod Gupta
3. Mr. Vishal Garg
4. Mr. Vikas Garg
5. Ms. Seema Garg
6. Mr. Vivek Garg
7. Mr. Jai Hind Kumar Gupta
8. Shri. Sumer Chand Tayal
9. Corporate Guarantee of M/s Vikas GlobalOne Limited.

SIGMA PLASTICS INDUSTRIES

The Firm is availing a cash credit (Hypo) limit of Rs. 600.00 Lacs from **Oriental Bank of Commerce** against Hypothecation of stock of raw materials, stock in progress, finished goods, stocks and spares, receivables and other current assets. No DP against stocks and receivables older than 180 days. The rate of interest is Bank Base Rate + 3.50% which works out to 13.75% and Margin is 25%.

Further the limit is secured on following Collateral Properties:

1. SIDCO Industrial Complex, I.G.C. Phase-I, Samba, Jammu & Kashmir in the name of Sigma Plastics Industries
2. F-5, 4/1 Vikas Apartments, East Punjabi Bagh, New Delhi in the name of Mrs. Seema Garg

Further limit is guaranteed by Personal guarantee of the following;

1. Ms. Seema Garg
2. Corporate guarantee of M/s Vikas Globalone Limited.

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Loan Taken on Vehicles		
HDFC - Vehicle Loan (Agreement No 17104807)	-	50,885
HDFC - Vehicle Loan (Agreement No 17105637)	-	50,885
HDFC - Vehicle Loan (Agreement No 17105275)	-	50,885
HDFC - Vehicle Loan (Agreement No 17105815)	-	43,842
HDFC - Vehicle Loan (Agreement No 24353585)	228,332	-
HDFC - Vehicle Loan (Agreement No 25941597)	171,583	-
HDFC - Vehicle Loan (Agreement No 26670813)	272,131	-
ICICI Loan No - LADEL00017599702	413,157	668,501
ICICI Loan No - LADEL00026826516	102,730	85,348
ICICI Loan No - LADEL00026874591	1,146,768	-
ICICI Loan No - LADEL00026622448	526,266	472,756
HDFC - Vehicle Loan (Agreement No 17685320)	-	746,240
TATA Capital Limited Contract No: 7000083164	-	102,225
TATA Capital Limited Contract No: 7000087805	-	231,415
Kotak Mahindra Prime Limited (CF-8516210)	138,591	123,921
Kotak Mahindra Prime Limited (CF-5467389)	-	189,880
Total	2,999,558	2,816,783

HDFC - Vehicle Loan (Agreement No 24353585) was taken during 2013 year and carries interest @15.65% per annum. The Loan is repayable in 36 installments of Rs. 22837 each along with interest from the date of Loan. The loan is secured by hypothecation of car of the company.

HDFC - Vehicle Loan (Agreement No 25941597) was taken during 2013 year and carries interest @15.65% per annum. The Loan is repayable in 36 installments of Rs. 17,941 each along with interest from the date of Loan. The loan is secured by hypothecation of car of the company.

HDFC - Vehicle Loan (Agreement No 26670813) was taken during 2014 year and carries interest @15.65% per annum. The Loan is repayable in 36 installments of Rs. 29,752 each along with interest from the date of Loan. The loan is secured by hypothecation of car of the company.

ICICI Loan No - LADEL00017599702 was taken during 2010 year and carries interest @9.00% per annum. The Loan is repayable in 57 installments of Rs. 61,560 each along with interest from the date of Loan. The loan is secured by hypothecation of car of the company

ICICI Loan No - LADEL00026826516 was taken during 2013 year and carries interest @10.74% per annum. The Loan is repayable in 36 installments of Rs. 10,086 each along with interest from the date of Loan. The loan is secured by hypothecation of car of the company.

ICICI Loan No - LADEL00026874591 was taken during 2013 year and carries interest @9.09% per annum. The Loan is repayable in 36 installments of Rs. 111,450 each along with interest from the date of Loan. The loan is secured by hypothecation of car of the company.

ICICI Loan No - LADEL00026622448 was taken during 2013 year and carries interest @10.77% per annum. The Loan is repayable in 36 installments of Rs. 48,510 each along with interest from the date of Loan. The loan is secured by hypothecation of car of the company

Kotak Mahindra Prime Limited (CF-8516210) was taken during 2012 year and carries interest @10.77% per annum. The Loan is repayable in 35 installments of Rs. 12,970 each along with interest from the date of Loan. The loan is secured by hypothecation of car of the company

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Loan Taken for Fixed Assets		
BOB TL – 21000600000514	5,726,604	5,726,604
BOB TL – 21000600000515	4,216,683	4,549,404
OBC TL – 11167015000461	5,010,600	2,919,000
ICICI (LAP) –LBDEL0002038205	2,840,132	-
	17,794,019	13,195,008

Term Loan-I (Bank of Baroda) Closing balance Rs. 86.85 Lacs & **Term Loan -II** (Bank of Baroda) Closing balance Rs. 42.16 Lacs. The Term Loan is secured on the Plant and Machinery and Land and Building located at G-24-29 & 30, RIICO Industrial Area, Vigyan Nagar, Shahjahanpur, Dist. Alwar, Rajasthan owned by Vikas GlobalOne Limited. The term loan has been taken over from the existing loan of ICICI Bank Limited. The Rate of Interest is BR+2.75%. The term loan is repayable in equal monthly installment of Rs. 8.56 Lacs. The Period of Maturity for the TL-I from the Balance Sheet date is 9 months and for the TL-II 16 months.

Further limit is guaranteed by Personal guarantee of the following

7. Mr. Nand Kishore Garg
8. Mr. Vikas Garg
9. Mr. Vivek Garg
10. Mrs. Seema Garg
11. Mrs. Usha Garg
12. Mrs. Namita Garg

Term Loan-III (Oriental Bank of Commerce) Closing balance Rs. 180.53 Lacs. The Term Loan is secured on the Plant and Machinery and Land and Building located at G-24-29 & 30, RIICO Industrial Area, Vigyan Nagar, Shahjahanpur, Dist. Alwar, Rajasthan owned by Vikas GlobalOne Limited. The loan was sanctioned on reviewed on 8.02.2014 on the existing term and conditions. . The Loan will be repayable in Equal Installments of Rs. 4.17 lacs per month. The rate of interest shall be BR+ 2%+.5%. The Period of Maturity from the Balance Sheet date is 41 months.

Sigma Plsatic Industries

Term Loan-IV (ICICI Bank) During the year Firm has taken a term loan (LAP) from ICIC Bank of RS 500 Lacs which is repayable in 120 EMI of RS 717,355/- which is secured against residential Property house No-10 Road No-4 East Punjabi Bagh New Delhi. This Loan is taken for the enhancement of business activities.

NOTE NO: - 8 TRADE PAYABLES

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Sundry Creditors	346,931,393	334,997,986
	346,931,393	334,997,986

NOTE NO: - 9 OTHER CURRENT LIABILBITES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Service Tax payable	1,791,253	428,558
Advance From Customers*	7,838,613	33,288,474
Expenses Payable	6,601,683	8,498,602
Cheques Issued but not presented	68,320,710	40,721,737
Others	628,510	42,000
	85,180,769	82,979,371

*Advance from customers includes Rs. 3,971,859/- (Thirty Nine Lacs Seventy One Thousand Eight Hundred and Fifty Nine) Vikas Ploymer (India) in which Director of Vikas Globalone Limited is also a Partner.

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Vikas Polymer (India)	3,971,859	-
	3,971,859	-

NOTE NO: - 10 SHORT TERM PROVISIONS
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Dividend on Equity Shares	5,084,794	5,051,969
Dividend Distribution Tax	864,161	819,556
Current Tax Provision	7,703,824	2,157,499
	13,652,779	8,029,024

NOTE:11 FIXED ASSETS
COMPUTATION OF CONSOLIDATED DEPRECIATION FOR THE F.Y. 2013-14 AS PER COMPANIES ACT

FIXED ASSETS											
PARTICULARS	GROSS BLOCK					DEPRECIATION				NET BLOCK	
	Rate	As At 31.03.2013	Additions	Deduct ion	As at 31.03.2014	As on 31.03.2013	For the Year	Deduct ion	As on 31.03.2014	As on 31.03.2014	As on 31.03.2013
Tangible Assets											
Leasehold Land	-	5,43,36,463	54,53,128	-	5,97,89,591	-	-	-	-	5,97,89,591	5,43,36,463
Building	5%	5,26,51,551	86,16,291	-	6,12,67,842	64,76,581	24,06,017	-	88,82,598	5,23,85,244	4,61,74,970
Plant & Machinery	13.90%	10,90,78,391	2,94,47,905	-	13,85,26,296	315,98,129	128,85,809	-	444,83,938	94,042,359	7,74,80,262
Furniture & Fittings	18.10%	22,36,506	9,35,707	-	31,72,213	10,88,653	3,06,484.73	-	13,95,137	17,77,076	11,47,853
Vehicles	25.89%	2,40,82,601	78,79,997	-	319,62,598	135,59,168	41,37,548	-	176,96,716	142,65,882	1,05,23,433
Office Equipments	13.91%	98,98,061	5,56,071	-	1,04,54,132	46,53,090	7,54,813	-	54,07,904	50,46,228	52,44,971
Computers & Peripherals	40%	43,76,687	5,00,069	-	48,76,756	31,65,074	5,88,565	-	37,53,639	11,23,117	12,11,613
Total (A)		25,66,60,260	5,33,89,168	-	31,00,49,428	6,05,40,695	2,10,79,236	-	816,19,931	22,84,29,498	19,61,19,565
Intangible Assets											
Goodwill		29,21,464	-	-	29,21,464	17,52,879	5,84,293	-	23,37,172	5,84,292	11,68,585
Total (B)		29,21,464	-	-	29,21,464	17,52,879	5,84,293	-	23,37,172	5,84,292	11,68,585
Total(Current Year)		25,95,81,724	5,33,89,168	-	31,29,70,892.4	622,93,574	2,16,63,529	-	839,57,102.84	22,90,13,790	19,72,88,149
As on 31st March 2013		24,26,18,833	1,91,22,842	21,59,951	25,95,81,724	430,40,852	1,96,58,811	406089	622,93,574	19,72,88,150	19,95,77,981

NOTE NO: - 12 NON- CURRENT INVESTMENTS
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
LIC Group Insurance	344,060	-
	344,060	-

NOTE NO: - 13 LONG TERM LOANS AND ADVANCES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Security Deposit	3,241,459	1,518,779
	32,41,459	1,518,779

NOTE NO: - 14 OTHER NON - CURRENT ASSETS
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Security Deposits	139,320	-
Others	7,373,923	7,374,456
Government Receivables	1,327,146	1,239,226
	8,840,389	8,613,682

NOTE NO: - 15 INVENTORIES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Finished Goods	10,321,690	18,750,511
Real Estate Inventory	24,356,621	24,356,621
Capital WIP-Real Estate	14,370,612	14,370,612
Traded Goods	29,001,153	23,147,387
Raw Material	181,952,014	208,460,237
Goods in transit/ WIP	2,598,335	9,080,658
Total	262,600,425	298,166,025

NOTE NO: - 16 TRADE RECEIVABLES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Outstanding for more than six months		
Unsecured, Considered Good :	104,282,051	110,793,763
Less: Provision for doubtful debts		-
Sub Total	104,282,051	110,793,763
Outstanding for less than six months		
Unsecured, Considered Good	690,210,939	576,843,696
Less: Provision for doubtful debts		-
Sub Total	690,210,939	576,843,696
Total	794,492,991	687,637,459

NOTE NO: - 17 CASH AND CASH EQUIVALANTS
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Cash-in-Hand		
Cash Balance	1,793,533	2,227,500
Sub Total	1,793,533	2,227,500
Bank Balance		
Bank Current Account	2,638,173	2,682,475
Unpaid Dividend Account*	599,550	436,558
Sub Total	3,237,723	3,119,033
	5,031,256	5,346,533

* There is no Amount in unpaid Dividend Account which is transferrable to Investor Protection fund Account

NOTE NO: - 18 SHORT TERM LOANS AND ADVANCES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Security Deposit	13,372,226	6,236,990
Advance to Suppliers	71,541,695	34,215,314
Advance to Staff	1,164,862	361,899
Cenvat Credit Receivable	2,794,676	2,807,648
Tax Deducted at Source	5,144,103	3,624,468
MAT Credit	19,026,082	14,736,839
Advance Tax	1,000,000	1,500,000
PLA Excise	160,530	2,447
Others	77,304,556	84,648,049
	191,508,729	148,133,654

NOTE NO: - 19 OTHER CURRENT ASSETS
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Prepaid Expenses	1,802,462	2,688,225
Cheque received not cleared	44,349,000	-
	46,151,462	2,688,225

NOTE NO: - 20 REVENUE FROM OPERATIONS
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Sales of Product	2,470,759,641	2,492,521,332
Other Operative Income		
Revenue Franchise	24,671,153	24,278,001
Other Operative Income	4,500,000	4,626,569
	2,499,930,794	2,521,425,902

Sales of Product includes following transactions with the related party:

PARTICULARS	AMOUNT
Vikas Polymers (India)	8,256,313

NOTE NO: - 21 OTHER INCOME
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Commission & Interest Income	16,872,737	4,386,502
Job Work Income	880,850	-
Other Non-Operating Income		
Profit on disposal of Tangible Assets	-	-
Excise Refund	4,246,059	10,426,022
Rental Income	147,751	197,738
Other Receipts	6,338,848	5,401,846
	28,486,245	20,412,108

NOTE NO: - 22 COST OF MATERIAL CONSUMED
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Inventory at the beginning		
Raw Material	230,391,874	125,424,154
	230,391,874	125,424,154
Add: Purchases		
Raw Material	828,249,072	897,039,028
	828,249,072	897,039,028
Add/Less: Other Adjustment		
Less: Inventory at the end	194,872,039	230,391,873
	194,872,039	230,391,873
	863,768,907	792,071,309

(In Rupees)

PARTICULARS	OPENING	PURCHASES	CLOSING	CONSUMPTION
Tin Alloy	9,311,482	62,382,848	9,334,140	62,360,190
Ethylhexyl Thioglycolate	7,889,219	2,432,083	2,938,856	7,382,446
Tinmate	261,417	102,804,532	1,463,413	101,602,536
Industrial Chemical-2EHTG	3,306,262	20,864,275	921,526	23,249,011
PVC Compound	13,305,176	46,681,124	-	59,986,300
TPR Compound	1,188,464	305,795,842	4,063,568	302,920,738
Hydrogen Peroxide 60%50	4,491,176	16,602,538	3,122,556	17,971,158
RSO Refined Soyabean Oil	7,423,739	89,539,853	139,035	96,824,557
Styrene Butadiene Copolymer	2,082,783	86,562,184	35,437,347	53,207,620
Thermal Plastic Elastomer	14,145,585	11,790,609	-	25,936,194
Methyl Chlori De Pure(Gas)	239,259	25,447,966	254,877	25,432,348
PVC Resin	-	394,036	-	394,036
Styrene Butadiene Styrene	-	9,989,051	-	9,989,051
Others	166,747,312	46,962,131	137,196,721	76,512,722
Grand Total	230,391,874	828,249,072	194,872,039	863,768,907

DETAILS OF MATERIAL CONSUMED
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Raw Material		
Consumption Raw Material	863,768,907	792,071,309
	863,768,907	792,071,309

NOTE NO: - 23 PURCHASES OF STOCK IN TRADE
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Purchase of traded goods	1,340,907,589	1,462,400,255
	1,340,907,589	1,462,400,255

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

PARTICULARS	AMOUNT
Vikas Polymers (India)	16,154,750

NOTE NO: - 24 CHANGES IN INVENTORIES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Opening Stock	47,504,008	67,111,402
Closing Stock	53,357,774	47,504,008
(Increase)/Decrease in Inventory	(5,853,766)	19,607,394

NOTE NO: - 25 EMPLOYEE BENEFITS EXPENSES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Salary including Employee Benefits	31,777,232	25,831,467
Wages Including Benefits	1,413,365	1,453,878
Labour /Job Work Charges	3,550,310	1,000,021
Staff Welfare Expenses	819,939	958,472
Director Remuneration	820,000	1,254,000
	38,380,846	30,497,838

NOTE NO: - 26 FINANCE COST
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Interest		
Interest on Long Term Loans from Banks	10,531,191	4,404,963
Interest on other Borrowing	68,620,644	48,075,432
Other Borrowing Cost		
Other Financing Charges	12,396,278	11,895,634
Total	91,548,114	64,376,029

NOTE NO: - 27 DEPRECIATION AND AMORTIZATION EXPENSES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Depreciation	21,079,236	19,074,518
Amortization	584,293	584,293
	21,663,529	19,658,811

NOTE NO: - 28 OTHER EXPENSES
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Manufacturing and other Direct Expenses		
Custom Duty	24,276,657	27,730,154
Freight	19,270,535	17,147,223
Loading and Unloading expenses	2,217,354	2,312,267
Power and fuel	15,962,621	14,165,318
Demurrage and Inland Haulage Charges	16,833,753	14,929,496
Consumption of Stores and Spare Parts	774,887	1,029,143
Other Direct Expenses	601,483	-
Administrative Expenses		
Foreign Exchange Fluctuation	12,961,141	7,263,832
Legal and Professional Charges	2,634,128	2,181,927
Conveyance Charges	968,092	809,068
Advertisement Expenses	2,307,851	2,212,753
Rent	718,252	1,206,130
Electricity Expenses	1,100,300	475,922
Communication Expenses	1,334,258	205,078
Tour and Travelling Expenses	1,873,948	3,286,294
Vehicle Running Expense	1,123,927	990,528
Repair and Maintenance of Plant and Machinery	225,798	1,114,237
Repair and Maintenance Expenses	1,246,150	264,054
Repair and Maintenance Building	88,308	319,059
Security Charges	1,600,664	1,484,746
Rates and Taxes	568,562	479,669
Insurance Expenses	1,450,830	1,082,814
Printing and Stationery	589,927	666,908
Director Sitting Fees	100,000	160,000
Statutory Auditors Remuneration	398,634	398,634
Internal Auditor Remuneration	488,166	589,516
Rebate and Discount	136,372	953,652
Commission paid	423,843	315,273
Prior Period Expenses* See Note No-40	7,900,307	57,545
Miscellaneous Expenses W/off	266,746	123,876
Other Interests	372,937	669,476
Other Expenses	9,187,000	7,348,284
	130,003,431	111,972,877

29) Commitments

- a. **Capital commitment: There are no contracts remaining to be executed on capital account and not provided for as at 31 March, 2014.**

b. Lease commitment

The Company has taken various premises on operating leases. The lease rental of Rs. 1,316,000/- (Previous year Rs. 1,565,750/-) has been charged to Profit and Loss Account for the year ended March 31, 2014. 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	AS AT 31-03-14	AS AT 31-03-13
Within one year	1,074,000	1,565,750
Later than one year, not later than five years	294,000	--
Total	1,368,000	1,565,750

30) There is no significant event that has been taken place after the date of Balance Sheet.

31) There is a Contingent Liability in form of Bank Guarantee of Rs. 1,412,200/- and Rs. 203,452,803/- in respect of LC and duty saved against advance license is Rs. 53,495,888/-. The Company has given Corporate Guarantee to the Bank of RS 160,000,000/-and 60,000,000/- for Moonlite Technochem Private Limited which is 100% subsidiaries of Vikas Globalone Limited and Sigma Plastic Industries which is a Partnership firm in which Vikas Globalone Limited holds 75% Shares.

32) Details of pending cases are given below: -

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Disputed demands/ show-cause notices under:-		
-Direct Taxes		
a) Income Tax cases*	3,144,000	3,144,000
-Indirect Taxes		
b) Customs Duty cases	533,266	533,266
c) VAT	88,000	88,000
d) VAT (2011-2012) (Appeal pending Before Special Commissioner, Department of Trade and Taxes)	9,067,107	9,067,107

*Note: The Appeal is pending in ITAT and rectification pending with AO.

Company has filed Civil Suit against ADM Agro Industries Kota and Akola Limited supplier of Soya Bean Oil in High Court Delhi **case No-CS OS No-198/214** of Amounting Rs.9961516/- due to poor supply of soya bean oil. Company has suffered a loss due to such poor quality of material supplied by them and non recovery of money from debtors and it also affect goodwill of the Company. The ADM Agro Industries Kota and Akola Limited is also filed winding up Petition against company in High Court case no CO PET No-64/2014 due to non-payment of Rs 4,115,664/- along with interest at the rate of 18% from the due date of payment.

33) 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:

c. Chemical Division

d. Real estate Division

The geographical Segment consists of:

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

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

Purchase directly attributable to segments is reported based on items that are individually identifiable to that segment.

Common allocable costs are allocated to each segment to that common cost.

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Segment Revenue		
Chemical Division	2,523,917,039	2,537,211,441
Real Estate Division	4,500,000	4,626,569
Total	25,284,17,039	2,541,838,010
Segment Expenditure		
Chemical Division	2,389,910,091	2,436,991,079
Real Estate Division	22,000	1,172,994
Total	2,389,932,091	2,438,164,073
Segment Results		
Chemical Division	134,006,948	100,220,362
Real Estate Division	4,478,000	3,453,575
	138,484,948	103,673,937
Less : Interest	91,548,114	64,376,029
Profit before Tax	46,936,834	39,297,908
Capital Employed		
Chemical Division	387,301,000	352,255,852
Real Estate Division	24,357,000	24,356,621
Total	411,658,000	376,612,473

Geographical Revenue		
Domestic Revenue	2,237,981,407	2,348,131,514
Export Revenue	290,435,632	193,706,496
Total Revenue	2,528,417,039	2,541,838,010

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.

- 34) Goodwill: Goodwill arises upon the acquisition of subsidiaries, associates and Joint venture. Goodwill is amortized over the 5 years from the financial year in which the acquisition is accounted for. During the year a sum of Rs 584393/- has been amortized and has been shown under the schedule of Fixed Assets "Schedule No-11".
- 35) The company had not received information from suppliers regarding their status under the "Micro, Small and Medium Enterprises Development Act 2006" and accordingly no disclosure regarding overdue outstanding of principal amount and interest thereon has been given.
- 36) 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, 2013 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.
- 37) In the opinion of the Board of Directors, no provision is required to be made against the recoverability of these balances except provided.
- 38) Employee Benefit Obligation:-

During year ended March 31, 2014 the Company has contributed Rs. 300,692/- to provident fund under defined contributions plan of Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

During the year ended 31st March 2014, the Company has made a provision of Rs 1,376,240/- in respect of provision for gratuity and defined benefits as per actuarial valuation made as per AS-15.

The Company has taken Group Gratuity Scheme for the employees from the LIC of India. Contribution made by the during the year is Rs 344,060/- and total contribution payable is Rs 1,376,240/- and balance amount is payable in other 3 installments in next Financial Year

The Actuarial data for Group Gratuity Scheme is as follows:

PARTICULARS	Amount (in Rs)
Initial Contribution	1,063,234
Additional Contribution on Existing Fund	-
Current Service Cost	296,748
LC Premium	16,258
Total Amount Payable	1,376,240

- 39) 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.

40) Prior Period Items: -

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Expenses:-		
Water Expenses		
Legal and Professional Charges	52,155	31,453
Telephone expenses		18,663
Provident Fund		565
Staff Welfare		6,864
Freight charges	188000	
Deferred Employee Compensation A/c	7,551,094	
General Exp	85,699	
Dividend Distribution Tax	23,259	
Total	7,900,207	57,545

41) 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. Vishesh Gupta Mr. Pramod Gupta
Relative of Key management Personnel	Mr. Nand Kishore Garg, Mrs. Usha Garg, Mrs. Seema Garg, Mrs Namita Garg
Other Related Parties	Vikas polymer Land Private Limited, Suku Innovatives, R.P.Gupta.,Vikas Polymer (India)

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

(In Rupees)

NATURE OF TRANSACTION	SUBSIDIARY	ASSOCIATES	KMP & RELATIVE	Other Relates Parties	TOTAL
Sales			-	8,256,313	8,256,313
Purchase			-	64,64,000	6,464,000
Investment in shares			-	-	-
Rent Paid	-	-	1,196,500	-	1,196,500
Director Remuneration	-	-	820,000	-	820,000
Unsecured Loan			675,000	-	675,000
Receipt and Payment	-		-	26,62,300	26,62,300
TOTAL		-	2,691,500	17,382,613	20,074,113

PARTICULARS	Amounts (in Rs)
I. FIXED ASSETS	
Assets Purchased during the year	
Related party	-
Assets Sold during the year	
Related party	-
J. TRADE RECEIVABLES AS ON 31ST MARCH	
Other Related Party	-
K. ADVANCES TO CUSTOMER GIVEN AS ON 31ST MARCH	
Other Related Party	-
L. ADVANCES RECEIVED FROM CUSTOMER AS ON 31ST MARCH	
Other Related Party	3,971,859
M. TRADE PAYABLE AS ON 31ST MARCH	
Other Related Party	
N. REVENUE FROM OPERATION AS ON 31ST MARCH	
Other Related Party	8,256,313

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.

42) 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	AS AT 31-03-14	AS AT 31-03-13
Net Profit/(Loss) After Tax as per Profit & Loss Account (in Rs)	36,143,939	36,685,338
Weighted average no of shares outstanding during the year	101,041,169	101,039,370
Basic and diluted Earnings Per Share (in Rs)	0.36	0.363
Nominal value per Equity Share (in Rs)	1/-	1/-

43) 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. 180,202/- (Previous year Rs. 6,19,526/-) during the year ended March 31, 2014.

The breakup of Deferred Tax Liabilities as at March 31, 2014 is as under

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Deferred Tax Liability	-	-
Deferred Tax Liability depreciation	3,712,404	3,401,974
Gross Deferred Tax Liability	3,712,404	3,401,974
Deferred Tax Assets		-
Deferred Tax Assets Fixed Assets	606,473	476,245
Gross deferred tax Assets		-
Net Deferred Tax Liability/ Assets	3,105,931	2,925,729

44) In the AGM of the Company held on 28th September 2011, the members of the company passed a resolution for introducing a Stock Compensation Plan called the Employees Stock Option scheme, 2011 (ESOS 2011), for the benefit of employees of the Company. The resolution also accorded approval for the Board of Directors, to formulate the Scheme as per board parameters outlined in the resolution, either directly or through a committee. Accordingly, a committee of directors called Compensation committee was constituted. The Committee, after due deliberations and after studying the provisions of SEBI employee Stock option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time, has formulated the Employees Stock Option Scheme 2011 (ESOS 2011). The Scheme has been approved by the Stock exchange on 7th May 2012 (NSE) and 2nd May 2012 (BSE). The Compensation Committee at its meeting held on 2nd June 2012 has granted Stock Option to the eligible employees. The Compensation Committee at its meeting held on 2nd June 2012 has granted Stock Option to the eligible employees and accordingly the option will be granted shall vest over a period of 3 years, or as may be decided by the CC, as per schedule as under.

Year from the date of Grant	Vesting of Options Granted
End of first Year	30 % of the Grant
End of Second Year	30 % of the Grant
End of third year	40 % of the Grant

There shall be a minimum period of one year between grant date and the vesting period for the first lot of vesting of granted options. The interval between the subsequent lots shall be one year.

During the year the Company has granted shares on compensation meeting held on 31st March 2014 under Employee stock option as per scheme made by company in year 2011 (ESOP 2011). The no of shares vested by allottees under scheme is 656,500 shares of Rs 1/- (Face Value of Rs.10 each). **Details are as follows**

PARTICULARS	NO OF OPTIONS
Option Granted	3,695,000
Pricing Formula	Face Value
Options Outstanding, beginning of the Year	2,615,000
No of Options given to Employees in First year (30% of total no of options)	784,500
Less-No of Options Exercised by Employees	656,500
No of Options Forfeited by Employees	1,28,000
Options Outstanding, end of the year	1,830,500

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

46) 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. 965,934/- arising out of amalgamation is shown under the head Capital Reserve Account.

47) During the year Company has transferred a sum of Rs 75.51/- Lacs relating to Employee Compensation Expenses to prior period expenses being expenses relating to previous year.

48) 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	AS AT 31-03-14	AS AT 31-03-13
Salaries	820,000	1,254,000
Employer's Contribution to Provident Fund		--
TOTAL	820,000	1,254,000

b) Auditors remuneration:

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Audit Fees & Tax Audit	398,634	398,634

c) Expenses incurred in foreign currency during the year ended March 31, 2014 aggregates to:-
(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Expenditures:-		
Purchase	583,018,437	551,240,097
Foreign Travelling	544,254	1,693,627
TOTAL	583,562,691	552,933,724

d) CIF value of imports:

(In Rupees)

PARTICULARS	AS AT 31-03-14	AS AT 31-03-13
Raw Material Purchased	583,018,437	551,240,097
Capital Goods(Including Spares)	2,101,391	-
TOTAL	585,119,828	551,240,097

e) CIF value of export made during the year included in the sales amounting Rs. 290,040,356.32/-
(Previous Year: Rs. 193,706,496/-)

49) Disclosures as required by Clause 32 of the Listing Agreement

Particulars	AS AT 31-03-14	AS AT 31-03-13
E. CONSUMPTION OF RAW MATERIAL		
- Raw Material Consumed	863,768,907	792,071,309
F. DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS STOCK		
- Imported	244,125,317	194,468,441
- Indigenous	619,643,590	597,602,868
G. EARNING IN FOREIGN EXCHANGE		
- Sale of Goods	290,040,000	193,700,000

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



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 29th Annual General Meeting of the Company, to be held at A.M onth September, 2014 and any adjournment thereof.

Signed this.....day of.....2014.

(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 NAME SIGNATURE

- Note:**
1. Attendance slip not filled in properly will not be entertained.
 2. All joint holders should use only one slip.
 3. 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.