

E S B O B E R V I K A S

E C O T E C H R T O T S

S O L V I N G V T H E D

C H E M Y S T E R Y Z R

O F Q S P E C I A L T Y

C H E M I C A L S B Z K

V E E P R E E N E A T H

T P R D M T D C T P E H

Forward-looking statements

In this Annual Report, we have disclosed forward-looking information to enable investors to fully appreciate our prospects and take informed investment decisions. This report and other statement - written and oral - that we periodically make, contain forward-looking statements that set our anticipated results based on management plans and assumptions.

We have tried, where possible, to identify such statements by using words such as 'anticipate', 'expect', 'project', 'intend', 'plan', 'believe', and words of similar substance in connection with any discussion of future performance.

We cannot, of course, guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. Achievement of results is subject to risks, uncertainties, and potentially inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Contents

| | | |
|---|----------------------------------|----|
| ● | Vikas Ecotech at a glance | 04 |
| ● | Financial Highlights | 06 |
| ● | Board of Directors | 11 |
| ● | Message from the MD | 12 |
| ● | Management Discussion & Analysis | 19 |
| ● | Financial Reports & Statements | 39 |

Vikas Ecotech at a glance

EMERGING STRONGER FROM AN IMPORTANT METAMORPHOSIS



A new Vikas Ecotech

leveraging green chemistry for safe and eco-friendly products.



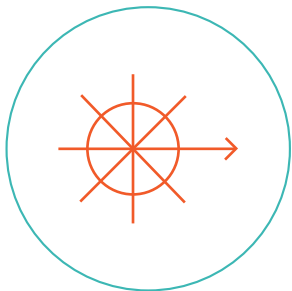
A continued focus on R&D

harnessing innovation for sustainability.



A sharp strategy

powering robust financial growth.



All steer us in one common direction

towards becoming a global specialty chemicals leader.



Expanding our Geographical Reach

20+ COUNTRIES
ACROSS 4 CONTINENTS



Delivering High Performance

REVENUE GROWTH
AT A CAGR OF 34.5%

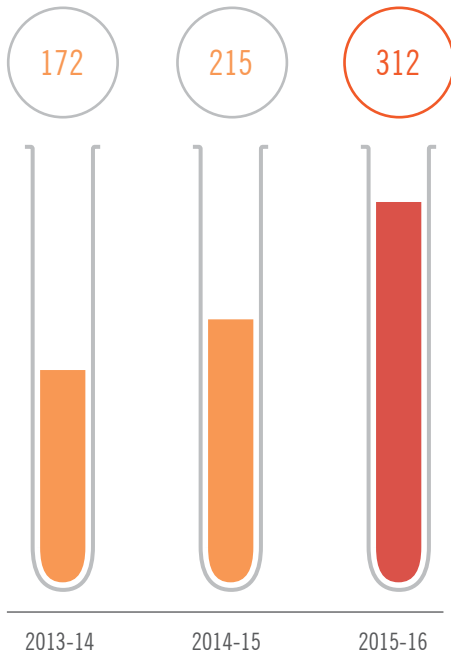


Driving Robust Exports

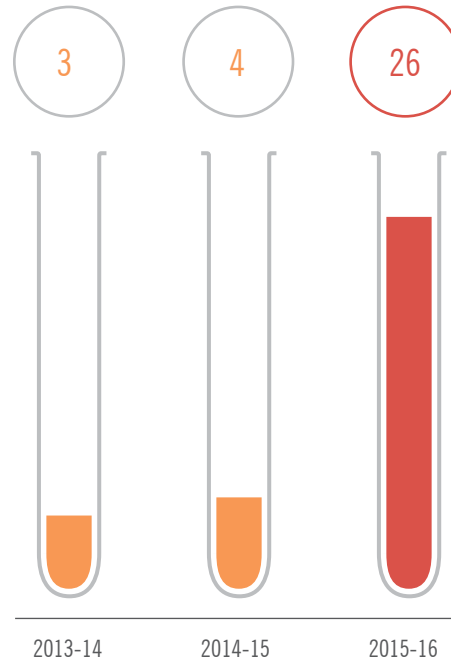
INCREASE IN EXPORTS
AT A CAGR OF 126.7%

Financial highlights

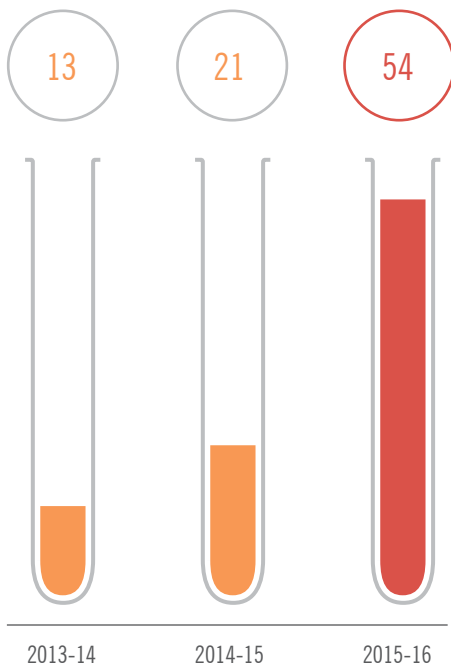
Net Revenue (₹ in crore)



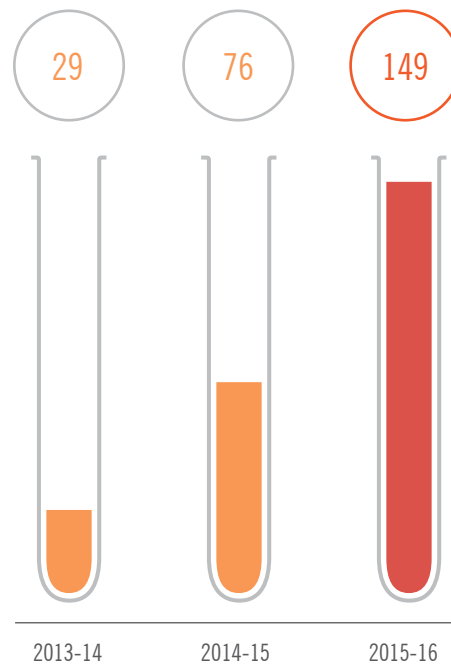
PAT (₹ in crore)



EBIDTA (₹ in crore)

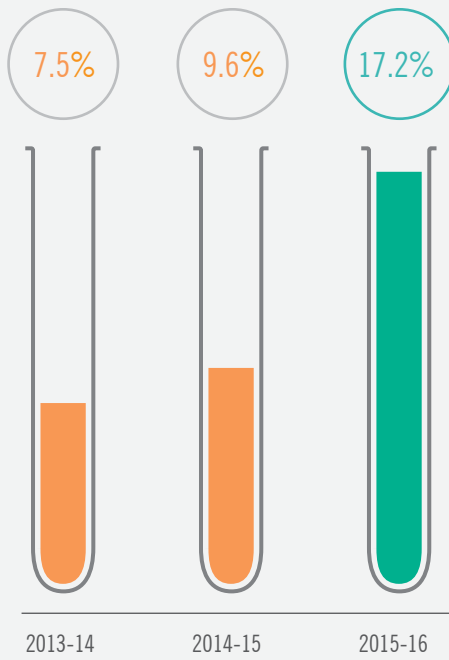


Exports (₹ in crore)



Key financial ratios

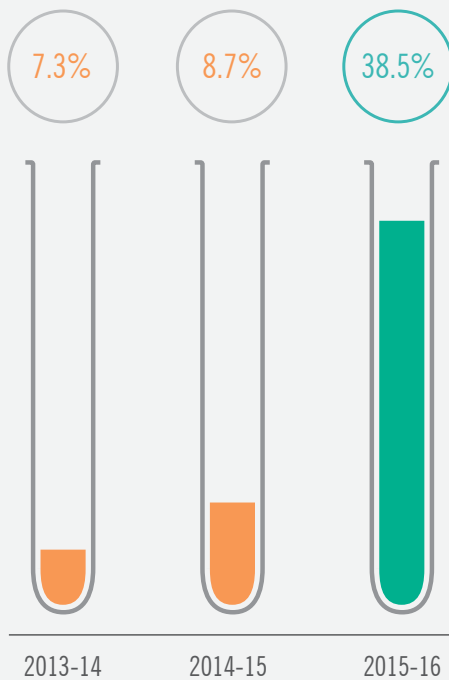
EBIDTA margin (%)



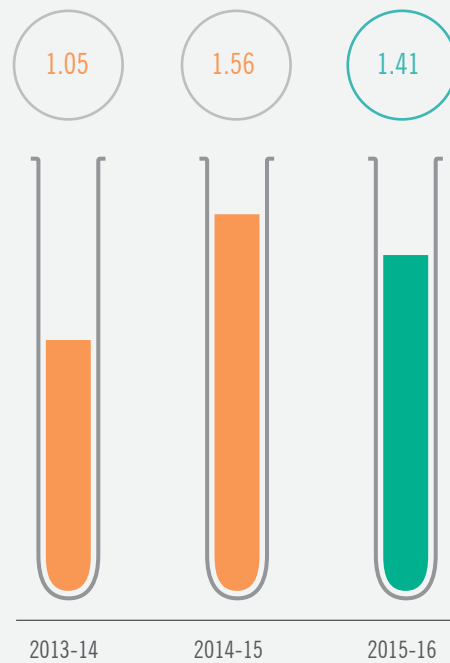
PAT margin (%)



Return on Equity (%)



Debt Equity Ratio



Company information

KEY MANAGERIAL PERSONNEL

Mr. Vikas Garg, Managing Director
 Mr. Vivek Garg, Whole-Time Director
 Mr. Ashutosh Kumar Verma,
 CEO & Whole-Time Director
 Mr. Pankaj Kumar Gupta,
 Chief Financial Officer
 Mr. Siddharth Agrawal,
 Company Secretary

NON-EXECUTIVE & INDEPENDENT DIRECTORS

Mr. Purushottam Dass Bhoot
 Mr. Pradip Kumar Banerji
 Mr. Jagdish Capoor
 Mr. Sumer Chand Tayal
 Mr. Manoj Singhal
 Mrs. Vibha Mahajan (Women Director)

STATUTORY AUDITORS

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

COST AUDITORS

M/s Niraj Kumar Vishwakarma &
 Associates
 SH. 13/124, Tarna Bazar,
 Shivpur, Varanasi,
 (UP)-221003.

SECRETARIAL AUDITORS

M/s AAA & Associates
 105, C-2/4 Pragati Market,
 Ashok Vihar Phase II,
 New Delhi-110052.

INTERNAL AUDITORS

M/s Pandey Amit & Associates
 B-1399, Shastri Nagar,
 New Delhi-110052.

REGISTERED OFFICE

Vikas Apartments, 34/1,
 East Punjabi Bagh,
 New Delhi-110026.
 Email: investors@vikasecotech.com
 Website: www.vikasecotech.com

MANUFACTURING PLANTS

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

RAJASTHAN

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

REGISTRAR & SHARE TRANSFER AGENT

Alankit Assignments Limited
 4E/2, Alankit House,
 Jhandewalan Extension,
 Delhi -110055.

BOARD COMMITTEES & ITS COMPOSITION

AUDIT COMMITTEE

Mr. Sumer Chand Tayal | **Chairman**
 Mr. Manoj Singhal | **Member**
 Mr. Purushottam Dass Bhoot | **Member**

EXECUTIVE COMMITTEE

Mr. Vikas Garg | **Chairman**
 Mr. Vivek Garg | **Member**
 Mr. Ashutosh Kumar Verma | **Member**

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Sumer Chand Tayal | **Chairman**
 Mr. Vivek Garg | **Member**
 Mr. Vikas Garg | **Member**

NOMINATION AND REMUNERATION COMMITTEE

Mr. Sumer Chand Tayal | **Chairman**
 Mr. Purushottam Dass Bhoot | **Member**
 Mr. Manoj Singhal | **Member**

EQUITY WARRANT COMMITTEE

Mr. Manoj Singhal | **Chairman**
 Mr. Sumer Chand Tayal | **Member**
 Mr. Purushottam Dass Bhoot | **Member**

COMPENSATION COMMITTEE

Mr. Manoj Singhal | **Chairman**
 Mr. Sumer Chand Tayal | **Member**
 Mr. Vikas Garg | **Member**

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Purushottam Dass Bhoot | **Chairman**
 Mr. Sumer Chand Tayal | **Member**
 Mr. Vikas Garg | **Member**

THE VIKAS ECOTECH STRATEGIC ADVANTAGE



History & Timelines

FOUNDED IN 1984, VIKAS ECOTECH'S HISTORY IS ROOTED IN TRANSFORMATION THROUGH SCIENCE AND INNOVATION. MOVING AWAY FROM TRADING TO MANUFACTURING OF **HIGH-END SPECIALTY CHEMICALS**, THE COMPANY'S MANUFACTURING DIVISION HAS GROWN MORE THAN 500% IN THE PAST FEW YEARS. TODAY, THE COMPANY IS A LEADING PLAYER IN SPECIALTY CHEMICALS EXPORTING PRODUCTS TO OVER **20 COUNTRIES**.



2016

- Commenced construction of state of the art manufacturing plant and Innovation (R&D) Center at Dahej, Gujarat
- Capacity to produce 6,000 MT of Organotin stabilisers (MTM) and 5,000 MT of special polymer compounds annually



2015

- Added facility to manufacture Organotin Stabilizers in Rajasthan
- Rebranded the company as Vikas Ecotech Ltd. with a focus on eco-friendly specialty chemicals
- Upgraded to 2 Star Export house status



2014

- Offered ESOP to its employees
- Issued Bonus Shares in the ratio 3:2 to all its shareholders
- Received Star Export house status



2011

- Established the export division
- Vikas Garg took over as Managing Director
- Ranked as India's fastest growing mid-sized company by Inc. 500

2009

Commissioned production facility to manufacture Bio Plasticiser



2008

- Backward integration into manufacturing. Commissioned 2 units in Jammu for TPR Compounds and Organotin Stabilizers
- Commissioned production facility to manufacture Mineral fillers for Rubbers & Plastics in Rajasthan
- Name changed to Vikas Globalone Ltd



1984

Founded as a Non Banking Finance Company – Vikas Leasing



1995

Listed on BSE & NSE



1998

Started trading and distribution of petrochemical products

Board of Directors



Vikas Garg
Promoter-Executive &
Managing Director



Vivek Garg
Promoter-Executive &
Whole-time Director



Vibha Mahajan
Independent &
Non-Executive Director



Purushottam Dass Bhoot
Independent &
Non-Executive Director



Sumer Chand Tayal
Independent &
Non-Executive Director



Jagadish Capoor
Independent &
Non-Executive Director



Pradip Kumar Banerji
Independent &
Non-Executive Director



Manoj Singhal
Independent &
Non-Executive Director



Ashutosh Verma
Whole-time Director & CEO

Message from the MD



With global manufacturing shifting to the East, the Indian specialty chemicals industry is experiencing a 'force multiplier' effect

Dear Shareholders,

Fiscal 2015-16 saw your Company's strategic metamorphosis into a new Vikas Ecotech. This transformation was essential to reinforce our position as a science-led specialty chemicals manufacturer that gives the highest importance to environmental and safety issues. During the year, your Company has not only experienced rapid growth, but has achieved it in a responsible and sustainable manner.

We are committed to demonstrating that it is possible to manufacture high-quality specialty chemical solutions that are environmentally friendly and safe to use. At the same time, we remain true to our fundamentals: a distinctive strategy to provide quick turnaround for

custom-made polymer solutions to address customer challenges, high value and profitable product differentiation and commitment to research and innovation. During the year under review, we have succeeded under difficult conditions and our performance has exceeded the goals that we had set for ourselves.

Positive headwinds amid global turmoil

The last year continued to be choppy for global markets with oil and commodity prices falling to new lows. While the US and European economies have registered low or negative growth, developing, emerging and frontier economies have also performed erratically. According to IMF, global growth in 2015 is estimated at 3.1 percent and is projected at 3.4 percent for 2016 and 3.6 percent in 2017. What should worry global businesses is the divergence in growth rates between various regions due to local or country specific factors.

Geopolitical uncertainties like the British referendum, the economic sanctions imposed against various countries, and the expansionary monetary policies adopted by central banks in developed countries have made business dealings uncertain across the world. However, developing and emerging economies today

account for 70% of global growth. This trend is expected to continue, although in a muted manner. The rebalancing of the Chinese economy from investment-led growth towards consumption and services is causing great economic upheaval around the world. The two other BRIC economies of Brazil and Russia continue to display recessionary trends and economic distress. This leaves India as the only major economy that is expected to exhibit substantial economic growth.

India is a star among emerging economies

The Indian economy has been successful in insulating itself from the global recession and economic shocks during the last year. A robust monetary policy to rein in inflation, a newfound political will to hasten policy-based decision making and the central bank's ability to discipline the banking system have combined to strengthen the fundamentals of the Indian economy. Complementing these measures are initiatives like 'Make in India', 'Skill India' and 'Digital India' that will help the Indian economy and its workforce become better equipped to cater to global demand.

With global manufacturing shifting to the East, the Indian specialty chemical industry is experiencing a 'force multiplier' effect. Our nation is fast emerging as a global specialty chemicals manufacturing hub – the

market size is projected to become \$33.2 billion by 2019. As the per capita consumption of chemicals in India is much lower than the global average, the great Indian consumption story is waiting to be written in the specialty chemicals segment. With key end-user industries such as agriculture, automobiles, medical devices and packaging expected to see robust growth, domestic demand will grow further. In a market that largely comprises unorganised players, large-scale manufacturers like your Company are at a distinct advantage.

Moreover, it is expected that there will be a significant growth in demand as India gains a competitive advantage over China. Since the last year, the Chinese economy has been undergoing a rebalancing process and is fast losing its status as the high-end manufacturer to the world. Global companies, especially those who offer science-led solutions require qualified yet affordable human resources. This factor will lead to a shift in manufacturing activities to India and your company stands to benefit.

Implementing a growth strategy for market leadership

During the past year, Vikas Ecotech's performance has been exemplary in an environment where slow growth is being defined as the new normal. While I will mention the financial performance figures later, let me share with you the overall strategy that has

During the past year, **Vikas Ecotech's** performance has been exemplary in an environment where slow growth is being defined as the new normal

helped and will continue to achieve profitable and sustainable growth for your Company.

Our first strategy that has worked well is our ability to work closely with customer R&D teams to develop specialty chemical solutions much ahead of the competition. Today, our customers while developing new products or strengthening the current ones intimate our team of the need gap requirements. Our ability to understand the clients' needs and come up with scientific solutions in a fast and effective manner has resulted in customer stickiness and our ability to command premium prices.

The above strategy has helped us identify 'premium customers' who value our R&D and science-led solutions focus. Going ahead, we will work with a select set of customers both in India and abroad to solve their end customer needs in a more

focused manner. During the year we have consciously moved away from customers looking at only a low cost-led solution from us. Subsequently, we looked at higher revenue from each customer account through tighter partnerships and associating with them through their entire product development journey.

Our second strategy has been to sharpen our R&D focus to develop a robust pipeline of sustainable and environmentally friendly specialty chemical solutions and products. Globally and in India, we see definite regulatory and voluntary action towards phasing out of harmful additives like lead and other toxic materials. Today, one of our products, Organotin, a popular lead-free alternative additive, is seeing significant traction both in domestic and export markets, especially among

Today, our **specialty chemicals** are supplied to markets in the EU and USA where they meet the strictest standards of quality and environmental regulations

PVC pipes manufacturers. We are the only Indian company that has the scientific know-how to offer this solution. This advantage is helping us match global quality standards for our customers across the world while simultaneously giving us the ability to offer value driven prices.

With Organotin stabiliser being US FDA approved, our product in the same category - Tinmate has an immense growth opportunity. Your company is fast gaining credence and recognition as a global supplier to the safety-critical healthcare industry and medical devices and components industries. With new capacity enhancements, innovative product formulations and a focus on premium value-added products, we are forging ahead to becoming a leader in the non-toxic alternatives market.

One of the high growth products in Polymer Additives is flame-retardant material that finds applications in the engineering and construction sectors among others. With the Bureau of Indian Standards setting mandatory requirements for the use of flame-retardants in various industries to promote fire safety, our product, V-ECOFLAMEX, will see increased demand and contribute to the safety efforts of our customers.

Your Company has maintained an R&D focus on using recycled plastic and oil as raw material to create products that have equal efficacy and strength

as those produced by competition from virgin raw materials. This R&D breakthrough is a first by an Indian company and we see two key benefits; one, we are helping the environment by reducing landfills of waste plastic. Second, our raw material costs are significantly lower while our end product selling price is almost equal to the competition's product. This strategy has helped up improve our margins significantly while benefiting the customers through a strategic price advantage.

Our third strategy is ensuring geographic and revenue de-risking for the company. Today, global and country-based volatility is the biggest macro challenge for any business that has international operations and ambitions. Our export focus is helping ensure that we have a healthy revenue mix from both domestic and international customers. During the year, we have achieved 48.5% of our sales from global customers. Over the next 36 months, we expect to generate an equal amount of revenue from domestic sales and exports. Today, our specialty chemicals are supplied to markets in the EU and USA where they meet the strictest standards of quality and environmental regulations.

In India, we are focusing on penetrating the Western and Southern markets with our new plant coming up at Dahej in Gujarat. The state-of-the-art plant and innovation centre will start initial operations in the

next fiscal year and contribute to a 200% increase in capacity. This will help us service our local customers in a shorter time and also enable us to shorten the timelines for exports. With our market domination in North India continuing, we hope to create a pan-India marketing and distribution network in the next few years.

Within the country, we have focused our sales efforts in three key markets of North, West and South India. We export to over 30 countries divided into 5 clusters (EU, USA, MENA, South East Asia and African countries). Thus, with over eight clear market clusters (domestic and exports) and over 33 micro markets, we have 'ring fenced' our revenues from a sudden fall in demand in any one region due to macroeconomic factors.

Profitable growth through science-led applications

The performance of the current year clearly shows that we have delivered profitable growth. This is due to our increasing focus on an R&D-led specialty chemical product and solutions focus. With an experienced team of scientists and increased spending on R&D, our margins have improved significantly.

Your company delivered a 45% revenue growth of INR 97 crore and achieved total revenues of INR 312 crore for the year ending March 31, 2016. Net profit stood at INR 25.53 crore, an increase of 575% on a Y-o-Y basis.

Our strategy of **sweating our assets** is helping us increase production without a corresponding increase in capex while driving down per-unit production costs

During the year we have concentrated on operational efficiencies and derived the maximum production from our manufacturing assets. Our strategy of sweating our assets is helping us increase production without a corresponding increase in capex while driving down per-unit production costs. Our human resource policy has ensured that our safety and health standards match global levels and that all our manufacturing plants meet environment, health and safety norms.

We have invested in zero-pollution manufacturing equipment and started a practice of using recycled materials to make advanced new formulations. We have also installed facilities to convert waste cooking oil into specialty additives. Recently, pollution control norms have been tightened in India. This is another area where your Company has an edge over the unorganised sector. Vikas Ecotech is

fully equipped to meet the stringent rules pertaining to the operations of our manufacturing plants. As a strategy, we have been investing in green practices over the last few years and we stand better placed to reap the benefits of the newly introduced government policies.

A future driven by intellect, innovation and invention

Today we live in a world that sees change on a regular basis due to rapid advances in technology and science. New products and processes disrupt the status quo and threaten incumbents. In India, we are witnessing a surge of entrepreneurial activity that promises to lead to the growth of improved business models like e-commerce and the digitalization of various industries. It is highly likely that your company will also have to face these challenges and we assure you that we are fully prepared to do so.

At Vikas Ecotech, we are committed to harnessing our collective intellect for innovation and continuous invention in specialty sciences. With support and encouragement of all our stakeholders, we pledge to persevere in our efforts to manufacture products that contribute to a safer and greener tomorrow.

With best wishes,

Vikas Garg

Managing Director

Global presence

TWO STAR EXPORT HOUSE EXPORTING TO

4 Continents

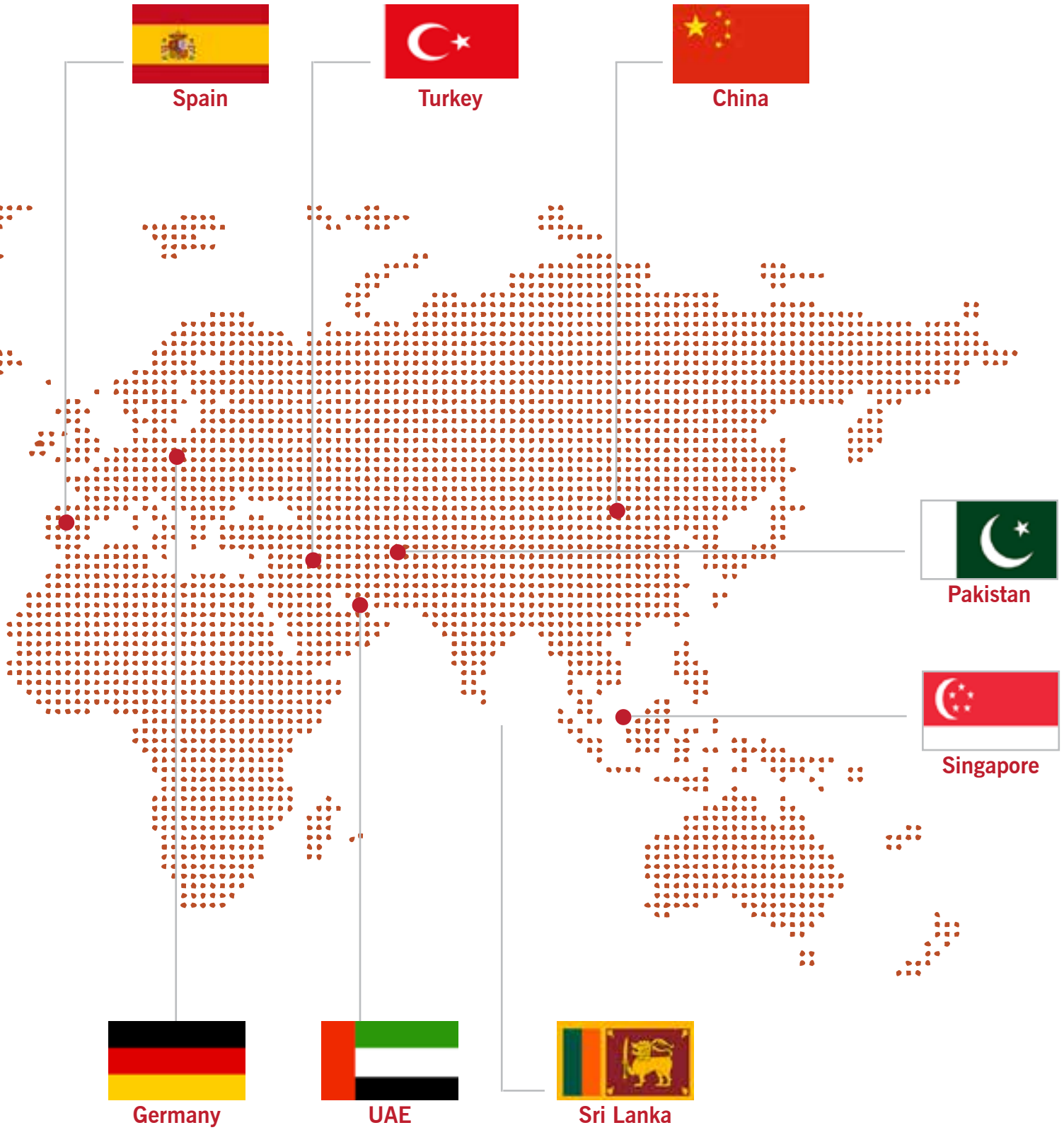
20+ Countries

VIKAS ECOTECH IS A LEADING PROVIDER OF HIGH-END SPECIALITY CHEMICALS TO CUSTOMERS ACROSS THE WORLD. WE ARE PASSIONATE ABOUT FINDING INNOVATIVE SOLUTIONS TO THE MOST PRESSING ENVIRONMENT AND SAFETY CHALLENGES OF OUR TIMES.

We leverage world-leading technology and chemical science to create value-added safer alternatives in product applications across industries.



USA



Building a sustainable world

DISCOVERING, DEVELOPING AND DELIVERING ON SUSTAINABILITY

Sustainability is central to our **strategy, solutions** and **social** responsibility.

FOCUS AREAS

Safety & Health

Delivering products safely and responsibly
Enabling community and social impact



Environmental Stewardship

Doing what is right for the environment
Zero-pollution manufacturing to manage climate change



Corporate Citizenship

Corporate governance, transparency and disclosures
Enabling customers across the value chain drive sustainability



Management Discussion and Analysis



MACROECONOMIC OVERVIEW

The year 2015 started and ended on a tepid and uneven note. While global indices showed minimal to negative growth, many economic pockets bottomed out, some contracted and few economies grew ahead of the curve. The mixed bag of events in the past year made us look at the world in relevant boroughs. A heartening development was that most countries implemented measures to correct and rebalance their economic exuberance in 2015. Overall, global recovery continues,

albeit in a recalibrated and slow manner.

China remains a key fulcrum of global economic recovery. Today it is the world's largest economy in terms of purchasing power parity and a dominant trade partner to major nations. Its strategic yet complex transition from a manufacturing to a services economy led to global upheaval resulting in oversupply and demand weaknesses. In the long-term, China's steps will help the global

economy in predicting more realistic and sustainable growth numbers. However, in the short-run, this will lead to major trade imbalances in many local economies. China's upheaval is a major opportunity for India. For a country with an equally big economy, our actual growth and statistics are in semblance and we enjoy robust banking and fiscal discipline along with a vibrant democracy. MNCs are looking to set up 2nd big manufacturing base in India after China.

EUROPEAN ECONOMICS

GDP in 2015

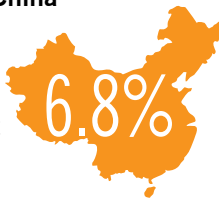
1.5% growth in Euro area

1.8% in the EU28

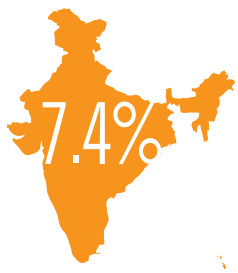
ASIAN ECONOMICS

China

Slowest GDP growth in the past 25 years at 6.8% in 2015



India



GDP growth of 7.4% in 2015 and expected to touch 8% in the coming year

The **Indian economy** is at a unique cusp of value creation through **value addition**

Among major developed economies, the US economy has started performing in 2015 in an unspectacular yet stable fashion. The US economy is still recovering from the financial effects of 2008. While local consumption led to increased spending during the year, weak performance by major US energy sector players and continued global weakness left the American GDP growth rate at a mere 2.4% for the year, according to data released by the World Bank. However, to build efficiencies, US businesses will increase outsourcing to deliver cost efficiency and corporate profitability. Indian exports to USA especially in value-added and sustainable sectors will grow.

European Union lagged in economic performance due to political pressures like the EU referendum and refugee influx. The polity's will to take definite corrective economic measures has pummeled. Major countries in EU experienced negative to zero growth with industrial production decreasing and unemployment increasing. The Brexit effect and political narratives seem to overshadow economic realities in the near term. For statistical purposes, in 2015 the euro region registered a 1.5% GDP growth while in the EU28 it was 1.8%. European businesses continue to look at cost efficiencies by replacing uneconomical

manufacturing - a trade off for key export economies like India.

On the whole, the world continues to behave like a fragile economy where rare pockets of performance continue to exist and grow. Asian economies especially China and India continued to deliver above average GDP growth of 7-8% on the twin handles of a robust domestic consumption and export competitiveness from value added manufacturing. China registered its slowest GDP growth in the past 25 years at 6.8% in 2015. For India, its knowledge-led skilled workforce is an added competitive advantage, especially on the exports front. Increased threats of non-economic nature continued to create risk potential to hurt commerce.

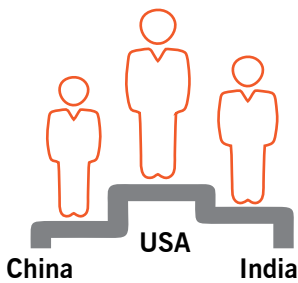
While economic progress remained a challenge, financial markets in developed economies showed improvement due to Central Bank measures. Finally, with coordinated measures to firm up oil and commodity prices, 2015 seemed to be the beginning of a better world from the bottom up!

Make in India – The Lion Roars

During the year, India roared back into the global center-stage both as a political and economic heavyweight. A new found political energy under the leadership of Prime Minister Shri Narendra Modi reinstated the faith of

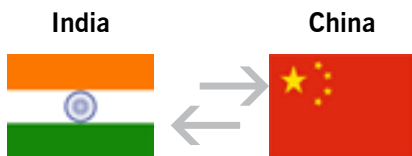
TOP DESTINATION FOR FOREIGN DIRECT INVESTMENT (FDI)

Top 3 preferred investment destinations



\$256 billion

FDI in projects



BRICS countries declined to **\$256 billion** - a 6% decline. India was the only **notable exception**, re-affirming that it is the only story built on a **solid foundation**

global investors to invest their money in the country. Also, several policy measures were unveiled to make India the global manufacturing hub for value added science, chemical and engineering services.

With a GDP growth of 7.4% in 2015 and expected to touch 8% in the coming year, the Indian economy is at a unique cusp of value creation through value addition. Along with China and other Asian economies like Vietnam, Bangladesh and Philippines have recently become exporters to the world. Unregulated labor laws, outdated industrial practices and environmental compromises counter balance their low cost and low end manufacturing due to cheap labor. India through its focus on quality & trained manpower, transparent policy & regulations and emphasis on R&D has tapped the value added exports market, a trend that is here to continue.

The Indian economy continues to display tremendous domestic growth potential based on the twin factors of increased private consumption-led demand and heightened government spending on infrastructure, industry support (subsidy) and tax reforms. Unlike other developed economies, favorable demographics, a young and educated workforce and a robust central bank with accommodative yet non-populist monetary policies

aid India. Thus, India is leveraging its higher productivity to become the value added manufacturing and R&D hub to the world.

India's ability to ring-fence itself against global financial crises is commendable. Be it the 2008 crisis or the recent Brexit one, the Indian financial and banking system is able to withstand global upheavals with minimum domestic disruption. This in turn has ensured local fiscal stability and hedging of export risks on thin exchange fluctuations. Moreover, the implementation of GST by the next financial year will act as a game changer for organized industry players.

In year 2015, India replaced China as the top destination for Foreign Direct Investment (FDI) as reported by the Financial Times, garnering \$63 billion in new FDI projects. Liberalization, policy clarity and ease of doing business has made India one of the top three preferred investment destinations for multinational enterprises, along with China and USA. While overall FDI inflows to BRICS countries declined by 6% to \$256 billion, India was the only notable exception. This reaffirms that India is the only story built on a solid foundation and stands strong among all the BRICS nations.

SPECIALTY CHEMICALS AN ATTRACTIVE PREMIUM PLAY WITH AN INDIA ADVANTAGE

December 2015 was a defining moment for the specialty chemical industry. DuPont and Dow Chemicals announced their merger making a behemoth with a combined market capitalization of \$130 billion with consolidated \$83 billion in Sales and \$3 billion of cost synergies. Both these companies in the recent past had re-invented their diversified chemical businesses and re-aligned their portfolios by divesting lower margin businesses and concentrating on high margin specialty chemicals. The merger is seen as a direct market

McKinsey & Company pegs the Indian specialty chemicals sector to grow 4-5 times from the current market size of **\$22 billion to \$80-100 billion** by 2020

validation of the attractiveness of the specialty chemicals sector.

McKinsey & Company pegs the Indian specialty chemicals sector to grow 4-5 times from the current market size of \$25 billion to \$80- 100 billion over next decade. This firms up the inherent opportunities that lie ahead for India's specialty chemical players. A highly specialized and science-led, R&D-oriented approach is the key to succeed in the market. Customers are looking at high value efficacy-led specialty chemical applications that

DuPont and Dow Chemical announced their merger making a behemoth with a combined market capitalization of **\$130 billion** with consolidated **\$83**



billion in Sales and \$3 billion of cost synergies

The Indian specialty chemicals segment will see increased demand as the manufacturing sector gets a fillip with 'Make in India' initiatives

impart valued-added properties in the end product. At the same time reducing input costs and ensuring sustainable future best practices is key. The same strategy will also boost exports.

Indian Government policy to give a fillip to manufacturing

India is tweaking its economic policy to give a fillip to manufacturing. Till recently, the services sector had been driving healthy growth while manufacturing had stagnated. With the need for specialty chemicals in nearly 80% of manufacturing applications, the Indian specialty chemicals segment will see increased demand as the manufacturing sector gets a fillip with 'Make in India' initiatives.

With FDI being allowed in most of the sectors, global MNC players across industries will set up manufacturing base in India. As a measure of competitiveness, raw material sourcing will be met

locally. Standalone Indian specialty chemical players with cutting-edge R&D and import substitute equivalent products will see a surge in demand. In turn, they will attract growth investments for strengthening R&D, manufacturing and expanding locally and in global markets.

East is the new West

With western economies experiencing demand stagnation and battling uneconomical costs of production, the next decade of manufacturing and economic demand consumption will have shifted to the East. Be it automobiles, construction, polymers, agriculture or pharma, specialty chemical players have followed their customers to the Asian markets of China and India. China's inability to produce as per global standards has led to softening of exports benefitting Indian specialty chemical players. Today, Indian players have a cost advantage of over Chinese firms after taking into account the additional investments by Chinese

companies in environment, health and safety.

In India, Gujarat and Maharashtra have emerged as favored manufacturing destination zones for MNC's, due to friendly government policies and access to both local and export markets. With MNC and Indian companies setting up local base to manufacture for the Indian consumer and supply to global marketplace, Indian specialty chemical companies will ride this demand naturally by aligning to their customer growth initiatives. Local players that have good R&D setups and are offering import substitutes will get additional preference to meet this demand.

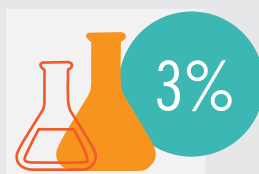
R&D-led premium solutions – Up the supply chain & technology ladder

Today, the Indian specialty chemicals segment at \$25 billion garners an abysmal share of 3% of the global specialty chemicals industry. This is due to industry fragmentation,

100% FDI

being allowed in this sector, increased global investments will flow to local players along with MNC's setting up base

Today, the Indian specialty chemicals industry at **\$25 bn** garners an abysmal share of 3% of the global specialty chemicals industry



Indian specialty chemical industry will contribute **6-7%** of the global demand by 2023, almost doubling its market share



low investments in R&D and most players targeting local markets. With Indian local consumption driving volumes and moving up the value chain, demand for premium specialty chemical applications is set to increase. Indian specialty chemical players will contribute 6-7% of the global demand by 2023, almost doubling their market share. This will include meeting the current local demand that is being met through expensive imports.

customers in science-based product applications.

Societal awareness & activism-led natural demand generation

Sustainable production and responsible environmental conduct by businesses are becoming critical. With increased activism and government intervention, harmful chemical applications are being phased out for human consumption. The specialty chemical industry has been a torch

industry action is being implemented in China and India with a clear hope of new regulations against harmful chemicals that impact both human health and the environment being put in place soon. Specialty chemical companies need to align their product portfolio with human safety for a greener tomorrow. Such companies will see increased demand whilst enjoying reputation and goodwill premium from investors, regulators and industry peers.

The global PVC stabilizer market is expected to reach **\$ 3.8 billion** By 2020

The industry is seeing a voluntarily shift to non-toxic lead free stabilizers

With increased spending on R&D and local demand getting more sophisticated, the unorganized and volume players will be separated from high end R&D-led organized manufacturers. With implementation of GST, the unsaid price advantage will cease to exist and the unorganized players' market share will get transferred to organized players. Essentially, Indian specialty chemical players will rise up the supply value chain and technology ladder to become strategic partners to their

bearer in developing sustainable science-based applications that replace the harmful chemical effects in the product supply chain.

For example, the global PVC stabilizer market expected to reach \$3.8 billion by 2020 from the current \$2.7 billion has seen volunteerism from industry to shift to non-toxic lead-free stabilizers. A complete phase out of lead-based stabilizers driven by the 'Comprehensive Chemicals Regulation' (REACH) in Europe Union has led this shift. Similar proactive

Vikas Ecotech envisages making eco-friendly and sustainable products, replacing the harmful chemical effects of traditional additives. Our growth will be driven by innovative chemical solutions in the areas of stabilizers, plasticizers and recycled materials. Manufacturing products that are import replacements will result in additional business and not only saving of precious foreign exchange reserves for the country but also foreign exchange earning in form of incremental exports.

PERFORMANCE - PROFITABLE GROWTH, SUSTAINABLE BUSINESS FOCUS

3 FOCUS AREAS



Specialty Additives



Plastic Compounds



Recycled materials

PVC is one of the most durable, **cost-effective** yet smart alternatives to steel and iron in the **global infrastructure** and construction industry

For the year 2015-16, the company registered net revenue of ₹311.98 crore as compared to ₹214.72 crore for FY 2014-15, a jump of 45.30%. PAT stood at ₹25.53 crore, a steep improvement of 574.47% from ₹3.79 crore for the corresponding period of last year.

The company's performance is remarkable in two aspects. In the immediate terms, we improved on both our topline and bottom-line significantly in spite of macro-challenges. However, what is satisfying is that we are able to implement a clear strategy for sustainable business in the long term. This reset focuses on large customer relationships, continued operational efficiency and R&D-led product development. We believe it will sustain our growth momentum in the long term.

During the year and going forward, our focus will be on the specialty chemicals business. Within the

segment, we have identified 3 focus areas:

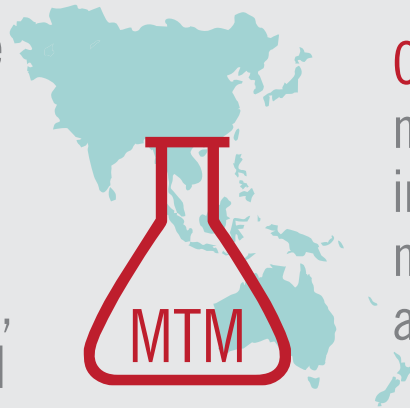
- Specialty Additives
- Polymer Compounds
- Recycled Materials

We achieved superior financial performance across all quarters by focusing on the following operational aspects:

Process efficiency: During the year, a TQM (Total Quality Management) project was implemented across all our factories. It covered all the functions from sourcing to production to end sales. The company closed several inefficiency gaps like material, manpower and time wastage. This resulted in achieving a lower cost per unit of production. Automation led to energy savings and intelligent manpower allocation, thereby raising productivity.

Superior quality of outstanding debt: With our focus shifting from small to large enterprise customers,

Vikas Ecotech is the only homegrown manufacturer in India with an in-house R&D function, manufacturing MTM



Our product meets stringent international norms in USA and EU countries



our debtor quality has gone up. Thus, outstanding debts turning bad remained insignificant. We upgraded our credit appraisal norms through the use of predictive analytics, ensuring that in case of any client's health concern, our system alerts us to factor it in our dealings ahead of others.

Premium price realization: Our in-house R&D-led product and applications development led to clients paying a premium for our solutions. Few of our prime products like lead-free eco-friendly Organotin stabilizers are IPR equivalent and not available with many competitors. Only a few large US and European MNC specialty chemicals and a some of Chinese players have similar solutions.

Be it exports or domestic sales, customers are looking at scientific applications by which their end product can be bettered. Our focus of closely working with customer's

R&D teams from an early stage of product development led to our solutions being integrated in the product development journey from the beginning.

With oil and other commodity prices coming down further, raw material input cost savings helped our bottom-line driven topline performance. Going ahead, we wish to adhere to our strategy of maintaining and winning through a profitable market share.

Sector-wise Products

Specialty Additives

Our extensive range of toxin-free, high-performance specialty additives like organotin heat stabilizers (Methyl Tin Mercaptide - MTM), Plasticizers and Flame Retardants saw increased demand during the year. The MTM production process was reengineered to achieve better stabilization with a lesser amount of

the main ingredients like Tin being wasted in the process. Leading manufacturers of agri and infra PVC pipes and fittings, medical devices, medical components and packaging players are our key customers.

Vikas Ecotech is the only homegrown manufacturer in India with an in-house R&D function, manufacturing MTM right from tin metal. Few other players in the world have such technological capability. Organotin or MTM is the only heat stabilizer that can be used for transparent and food-grade PVC applications. It is the strongest stabilizer for PVC (Ca-Zn being the weakest) and is suitable for critical applications. Our Organotin stabilizers are US FDA compliant, giving us the ability to supply all over the world and substitute costly imports for Indian manufacturers locally.

With the Indian market demand for Organotin Stabilizers at 6,000 MT p.a. (growing at 20% CAGR) and

SPECIALTY ADDITIVES



global market demand at 1,40,000 MT p.a., we see a continued demand for our product due to advantages that no other player in India currently provides.

The nascent Indian market of CPVC (Chlorinated polyvinyl chloride) pipes and fittings in India is estimated to grow at more than 100% CAGR over the next 2-3 years and is giving leaders like Vikas Ecotech a distinct advantage. CPVC is a thermoplastic produced from PVC resin that is much more flexible and has the ability to withstand higher temperatures than standard PVC. It is eco-friendly, corrosion-resistant and has a long service life. CPVC is used in the manufacturing of pipes for hot & cold water and industrial liquids.

Organotin is the only heat stabiliser used in the manufacture of CPVC pipes & fittings and the dosage is 3 folds in CPVC as compared to UPVC pipes & fittings. With both the Indian

Indian market demand for **Organotin Stabilizers**
6,000 MT p.a.

Growing at

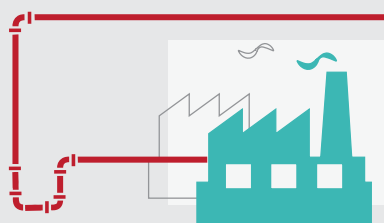
20% ↑

CAGR

Global market demand



Continued demand for our product due to **advantages** that no other **player in India** currently provides.



The nascent CPVC (Chlorinated polyvinyl chloride) pipes and fittings market is estimated to grow at more than 100% CAGR

100%

over next 2-3 years

PVC heat stabiliser market (currently 60,000 MT per annum) and global PVC heat stabiliser market demand growing continuously, our expansion plans are in line with domestic and international demands. During the current year our market share in India for Organotin Stabilizers was approximately 10%. Our vision is to attain 25% share of the expanded market in the near future.

The demand for Organotin stabilizers – lead-free alternative additives – is witnessing a rise both in India as well as globally. Specialty additive demand will rise across the world due to this unique phenomenon. Asian countries like India is seeing increased demand for PVC pipes due to infrastructure growth and adoption of modern agri-practices. Western economies like the USA and EU countries are using PVC pipes to replace their crumbling municipality and city infrastructure especially, underground pipelines.

Plastic Compounds

Vikas Ecotech's strides as a leading manufacturer of specialty polymer compounds continued both in the global and Indian market. Today, we offer one of the most sophisticated range of differentiated compounds like Thermoplastic Rubber (TPR), Thermoplastic Elastomer (TPE) and Speciality compounds of PVC, PET and EVA. Many of the world's and

India's leading footwear brands today use our polymer compounds for enhancing comfort and longevity in shoe soles – a testament of our R&D capabilities in developing localized customer focused solutions.

The company has built a unique competitive advantage by developing various innovative technologies in-house. We have a blue membership of SATRA, a UK-based independent testing and research organization. Our test procedures and manufacturing processes are SATRA compliant. Global Specialty polymers market is showing a high growth worldwide with a CAGR of 5.9%, our expansion plans are in line with the huge domestic and international demand.

Recycled Materials

Our strategy of reusing materials to make advanced new formulations has been well received by customers. With a dual advantage of near-to-equal virgin efficacy at lesser prices compared to virgin materials, clients are appreciating our value driven R&D approach. By using recycled raw material we are able to increase our profitability and also reduce the impact on the environment.

Import Substitute Focused Manufacturing Excellence

To ensure stringent quality and a 'near to customer' strategy, we have

commissioned the construction of our new state of the art manufacturing plant in Dahej SEZ, Gujarat. When complete, it will add a capacity of 6,000 MT of Organotin stabilizers (MTM), the lead-free alternative additive, and 5,000MT of specialty polymers compounds annually.

The increased capacity will act as a genuine import substitute for additives and stabilizers across industries operating in India, both

MNC and local firms. It will benefit customers by time savings due to local sourcing, reduce logistics hassles and ultimately deliver cost savings. India will benefit from foreign exchange savings.

The Innovation Center will act as a catalyst to the company's discovery efforts for chemical molecules. The plant is strategically located to serve both the domestic markets of West and South India and also, feed our export markets by accessing the sea-route. Stated for production by early next year, it will add over 200% capacity for the company.

We have a blue membership of SATRA, a UK-based independent testing and research organisation



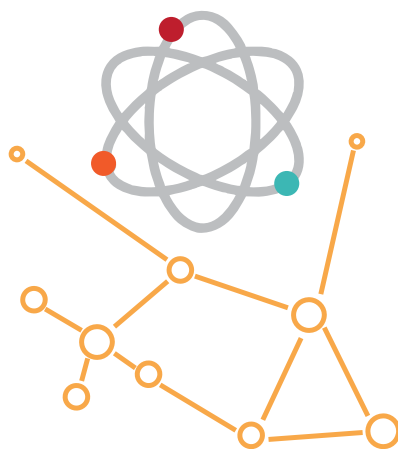
R&D FOCUSED FOR A BETTER & SAFER TOMORROW

As a homegrown specialty chemicals player, our R&D-led scientific product innovations are the key to our success. From the initial days, R&D for 'incremental innovation' has been our mantra in solving customer's problems in an efficacy-led and value driven manner. Today, we channel a significant part of our revenues and resources towards R&D efforts.

Smart innovation, strategic portfolio focus and superior customer insights are key in developing Vikas Ecotech's R&D program in a result-oriented manner. A PwC reports suggests that about 96% of goods manufactured by industry are somehow touched by chemistry – a reason why innovation is critical for survival.

Incremental Innovation

As leading specialty chemical majors across the world have realized, spending on R&D without a focus on Returns on Investments (ROI) is unsustainable in the long run. As a growing organization, we believe



A PwC report suggests that **96% of goods manufactured are somehow touched by chemistry** – a reason why **innovation is critical for survival**

'incremental innovation' in current applications and chemicals is an effective way to harness our R&D efforts. Our customers appreciate this approach - our R&D efforts are time based, cost effective and lead to significant benefits in deploying capital efficiently.

One of our key innovations has been in re-engineering used PVC material to produce a high performance PVC compound that matches the quality attributes of virgin PVC. Typically, products made from recycled PVC are considered to be of lower grade and hence command lower prices. We have been able to defy this through 'intelligent' chemical application. This has helped clients benefit from near-to-equal finished products at a better price while improving our margins.

Commitment to the principles of a circular economy

We believe a 'circular economy' is key to sustainable development and our R&D efforts are bearing fruit in this direction. Unlike the 'linear economy' that practices the take, make and dispose model of production, here, nothing is wasted and everything is re-used or recycled. A World Economic Forum (WEF) report mentions that over \$1 trillion annually could be generated by 2025 globally if companies focus on building circular supply chains to

increase the rate of recycling, reuse and remanufacture.

Our R&D team has invented a niche chemical process whereby “used cooking oil” is converted (recycled) to a specialty additive. We have been successful in developing a sourcing supply chain of used cooking oil for one of India’s largest and reputed Indian snack manufacturers, Haldirams. This has resulted in

clean & green products through an environment-friendly process and no-pollution facilities. Once scaled up, it is an opportunity to be tapped.

At Vikas Ecotech, our R&D efforts are focused towards creating a more sustainable and less polluting world. We see a strategic shift in R&D for specialty chemicals to discover new technologies for renewable and reusable product usage. This will be

important in effective and optimum utilization of resources. For us, it has become a key competitive edge owing to better economics.

Our accelerated R&D strategy will continue to focus on deep diving into targeted higher value products, narrowing our industry choice and an accelerated go-to-market strategy from the lab to the customer.

INTELLECT, INNOVATION & INVENTION

As a science-oriented organization, Vikas Ecotech’s people culture is built on three distinct pillars of Intellect, Innovation and Invention! We understand the distinction between Innovation and Invention. While we focus on incremental improvements through innovation, we strive towards big inventions in specialty sciences over a period of time. And, to achieve both, intellect with a scientific temperament is key.

During the year, we continued to refine our human resource program

that addresses people issues in a holistic manner. Having mapped out the entire career life cycle for our employees, it helps us ensure both professional and personal growth. We choose every employee in a discerning manner and similarly strive to grow him or her in a goal-based and humane manner. During the year cordial relationships were maintained in our manufacturing plants and offices with special attention to human safety and accident prevention.

A merit-driven
performance-oriented
workplace is our motto.
Our HR philosophy is built
on the below 3 principles:

Professional work
environment

Dignity and
respect for every
individual

Equal and fair
employment
opportunities

A merit-driven performance-oriented workplace is our motto. Our HR philosophy is built on the below 3 principles:

- Professional work environment
- Dignity and respect for every individual and
- Equal and fair employment opportunities

To keep pace with the Sector's and Vikas Ecotech's exponential growth, we are aware of the leadership bandwidth that needs to be built across the organization. Thus, we aim to recruit, train and grow leaders for tomorrow. As a future ready organization, we are building a strong second level of managers who are ready to lead various functions across the organization tomorrow. A key goal during the year has been to create an organization with a clear-cut talent acquisition strategy.

Today, our people comprise of a healthy mix of scientists, chemical

technologists, engineers, marketing & sales professionals and the workforce at manufacturing plants. We believe ideas for innovation can come from anywhere. Thus, we have implemented an organization-wide 'ideation' culture where employees are encouraged to come up with ideas for betterment. During the year, various process improvements suggested by employees, helped in time and cost reduction, saving significant resources.

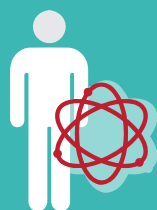
Recognize (recruit): Our recruitment process is today scientifically oriented to Recognize the best talent both with professional and human skill sets. We believe superior professional talent without an inquisitive mind, a strong moral and ethical foundation is of little use. Hence, we recruit people who have excelled in academic and professional fields yet demonstrate uncompromising character traits for doing the right things in the right manner.

Reward (to retain): Our HR evaluation process is merit oriented and regularly Rewards performance. In a disruptive world, where talent is scarce and opportunities galore, we believe in retaining our talent by giving them challenging opportunities, handholding them for success and sharing rewards in a fair manner.

Respect: As a science-based organization, our scientists are involved in various experiments and discovery. We have learnt to Respect the IPR-driven culture whereby we give credit for scientific innovations to individual scientists. This has helped us attract and retain few of the best intellectual minds in the industry.

Going ahead, a key competitive edge of your company will be its people!

OUR PEOPLE COMPRISE OF A HEALTHY MIX OF SCIENTISTS, CHEMICAL TECHNOLOGISTS, ENGINEERS, MARKETING & SALES PROFESSIONALS AND THE WORKFORCE AT MANUFACTURING PLANTS



Scientists



Chemical technologists



Engineers



Marketing & sales professionals



Workforce

Lead - The silent killer

NURTURING RESPONSIBLE INNOVATION TO ENSURE SAFETY



With lead exposure causing

600,000

cases of intellectual disabilities.



Every year, we are committed to help people live safer lives and bring to customers products they can trust.



Vikas Ecotech has taken the lead in manufacturing safe, eco-friendly alternatives to toxic lead-based stabilizers to curb the contamination of water although current domestic regulations enable their use.

Such progressive stances combined with our responsible innovation process enable global customers to be confident of the high-quality, performance and safety of our products.

Sustainable lead replacement

A TIDAL WAVE PHASING OUT LEAD GLOBALLY

Northern Europe

Switched completely to alternative stabilizers driven by legislations and market pressure



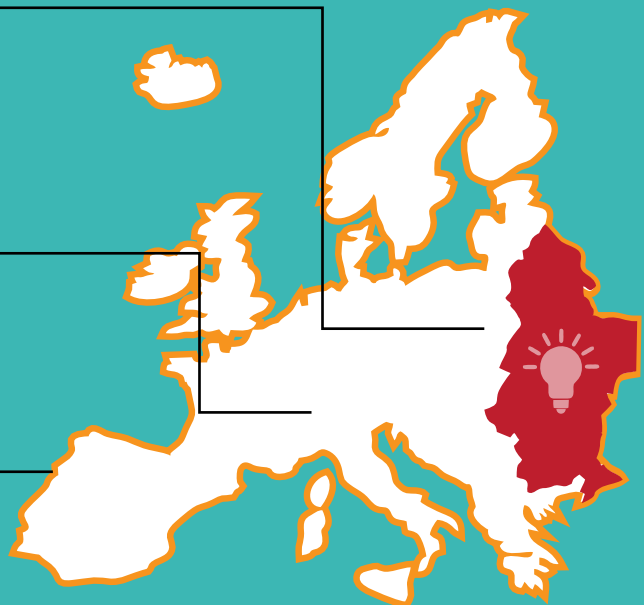
EU

Lead stabilizers' Phase Out 1 completed in 2015



EU-15

Lead stabilizer consumption in 2000-2011 decreased by 81%



United Kingdom

Permission to use lead in potable water pipes expired in 2003



South America

Large processors have been switching voluntarily



MITIGATION OF RISKS & CONCERNS

Only 12.2% (61) of Fortune 500 companies of 1955 still appear in the same list for 2014 – six decades later the rest 88% have either gone bankrupt, merged or faded away. 3D (Technological) Disruption, (Changing) Demographics and (Newer) Demand have created a world that is more risky and more rewarding than ever. Leaders need to be better prepared, well heeded and innovation driven. At Vikas Ecotech, other than regular risk management programs, we are addressing challenges in 4 key areas for staying relevant and competitive.

R&D-led Product Development:

A key reason science-based companies face peril is product or technology obsolescence. We believe our in-house R&D skills and product development capabilities are a key strategic advantage for the company's growth and market leadership. Today, some of our chemical applications and products are IPR-equivalent and meet stringent regulatory norms of developed countries of EU and USA. Our products act as genuine import substitutes that were being imported

to India, with similar effectiveness yet cost benefit to customers.

We will continue to develop and discover superior products from our chemical applications by investing continually in R&D. Going ahead, we look forward to legally protecting our inventions through IPR-driven programs and letting industry use our technology with a patent-centric approach.

Business Continuity Planning:

Non-economic risks like natural calamities, acts of terror or local community challenges often lead to stoppage of work. At Vikas Ecotech, our three manufacturing plants across North and West India will mirror each other in production capabilities. Thus, any risk will be quarantined at a local level while the other plant continues unhindered production for our customers.

A focus on implementing IT-based MIS across the company ensures real-time monitoring of every situation and immediate exception handling. Technology aided by geographic separation will ensure

WE ARE ADDRESSING CHALLENGES IN 4 KEY AREAS FOR STAYING RELEVANT AND COMPETITIVE



R&D-led Product Development



Business Continuity Planning












Customer & Segment Diversity



Geographic De-risking (Domestic & Exports)

VIKAS ECOTECH HAS IDENTIFIED 9 KEY SECTORS THAT WOULD DRIVE GROWTH FOR ITS SPECIALTY CHEMICAL BUSINESS

| | |
|---|-------------------------------|
|  | Agriculture |
|  | Automobile |
|  | Wires & Cables |
|  | Organic & Inorganic Chemicals |
|  | Polymers |
|  | Healthcare Industry |
|  | Packaging |
|  | Artificial Leather |
|  | Footwear |

During the **current year**, the mix of domestic and export revenues stood at **₹158.18 crores** and **₹148.97 crores** respectively, a share of **51.50:48.50**.

strategic business continuity at your company.

Customer & Segment Diversity:

Today, Vikas Ecotech has identified 9 key sectors that would drive growth for its specialty chemical business. They are Agriculture, Automobile, Wires & Cables, Organic & Inorganic Chemicals, Polymers, Healthcare industry, Packaging, Artificial Leather and Footwear. This sector diversity will ensure that any demand contraction or technology-led change does not affect your company in a severe manner.

Secondly, we have rolled out a customer acquisition strategy of owning large B2B customer accounts. This will help us engage with a few large customers in depth rather than spreading us thin across multiple retail buyers. B2B customers can now get stabilizers, plasticizers, compounds and additives from a single one-stop solutions partner – a value proposition that is difficult to replicate. However, we will ensure that no single customer impacts more than 10% of the total revenues.

While each of the above are growth sectors both in domestic and global demand, our aim is that each sector should contribute not more than 10-15% of the total revenues. We will continue to look for newer growth sectors to spread our offerings while

we go deeper with our scientific innovations in the current ones.

Geographic De-risking (Domestic & Exports):

During the current year, the mix of domestic and export revenues stood at ₹158.18 crores and ₹148.97 crores respectively, a share of 51.50:48.50. At Vikas Ecotech, we have rolled out a clear marketing and brand strategy to address demand through a 'micro markets' approach. We believe in the near future, macro data will look slow and grim while 'pockets of excellence' drive growth and profitability. We have a clear strategy for both our domestic market and exports market whereby we identify, serve and win in our own 'micro markets'.

In India, we are building a robust sales and dealer network across the three key demand markets of North, West and South India. Our three manufacturing plants are strategically located to employ a 'near to customer' approach. We want to be near to our customer's manufacturing facilities and drive a 'just in time' efficiency. With India being divided into 3 aggressive markets and 1 (East India) developing market, we are growing a healthy client base that is well spread out across the regions and the 9 sectors that we address.

During the year, our exports touched a total of 30 countries across USA, EU,

MENA, South East Asia and African regions. These 5 clusters are our key focus. Within each cluster, we want a single country to contribute not more than 10-15% of revenue and in each country, we want no single customer with revenue of more than 5-10%.

Currently, we are entering newer markets and are in a growth phase. The above metrics will fall in place once we mature our presence in the 9 'micro markets' that we have identified. Thus, our strategic intent is to de-risk and meet the above goals.

Internal Control Systems– Growth through Governance

Today, Vikas Ecotech has embarked on a journey to become a true homegrown MNC. We are aware that as we expand ourselves globally, governance will play a key role in our growth. Predictability of Revenues, Transparency of Conduct, and Regard for Reputation are the pillars of our Governance approach. Every

act of the company and its team should live up to global standards of propriety and goodness.

Robust internal control systems with due intervention of Information Technology and plant automation through ERP is being implemented during the year. A best in class Business Intelligence (BI) software is being deployed to harness the benefits of big data and analytics for business reporting, trend analysis and exception handling.

We are securing data through a matrix method of information flow that will ensure critical information like intellectual property and product innovation is dispersed in a segmented and layered manner. Security measures for data trail, theft and misuse are being implemented at the organization level. Regular statutory and voluntary audit mechanisms are ensuring adherence to the above on a regular basis.

Outlook – Responsible Growth for a Safer and Healthier Tomorrow

As mentioned earlier, the specialty chemicals sector, especially organized Indian players will continue to deliver profitable growth both in local and international markets. We foresee the below macroeconomic developments to act as a force multiplier for the Indian specialty chemicals industry.

Demand shift to eco-friendly specialty chemical solutions in India

Developed economies have already realized the net effect of harmful specialty chemical applications in end products of human use. It is being realized even by developing countries like India and China. Like Europe and USA, we foresee major sectors like PVC pipes to artificial leather manufacturers shift to toxin-free eco-friendly stabilizers and compounds on a regulation-led or voluntary basis. This shift will



Pillars of our Governance approach



**PREDICTABILITY
OF REVENUES**



**TRANSPARENCY
OF CONDUCT**



**REGARD FOR
REPUTATION**

create an automatic demand for Vikas Ecotech's lead-free Organotin stabilizer Tinmate as no other player in Asia currently has this proprietary green technology.

Sustainable R&D for specialty chemical solutions through re-use and re-cycling

With the Indian government both at the central and local municipality levels focusing on industrial pollution and effluent treatment, the specialty chemical industry will act as a catalyst in providing solutions for re-use and re-cycling. This will create a similar movement and awareness like the e-waste sector. Vikas Ecotech has developed a niche technique of converting used edible oil to specialty plastic additives. When scaled up at the national level, it will act as a strong deterrent to repeated re-heating of cooking oil as toxic aldehydes are released that are harmful to humans.

Global Safety Norms for World-class "Make in India" Infrastructure

The Indian government is spending significantly in upgrading the country's infrastructure across private, industry and public spaces. Thus, the application of fire-resistant flame-retardant specialty chemical solutions for public places like factories, malls, stadiums, movie theaters etc. is becoming mandatory. The Bureau of Indian Standards requirements will automatically result in an increased demand for Vikas Ecotech's V-ECOFLAMEX fire retardant additive and contribute to the safety measures being implemented across public spaces, factories and private homes.

Meeting China's export demand for the entire world

With China clamping down on industries and enforcing stricter environmental norms, the country's export competitiveness in the

specialty chemicals sector has been hit overnight. Local unorganized players have vanished. After implementing new environmental investments, reports suggest, China's cost is 10-15% higher than Indian players. Thus, in the coming times, global demand for specialty chemicals will be met from India owing to the 'Make in India' thrust and implementation of global standards of environment norms and industrial safety. Vikas Ecotech's growth into sophisticated high value developed markets will be aided by this measure.

We see natural demand-led growth for Indian specialty chemical players in the years to come due to the above macroeconomic developments. As one of India's leading homegrown organized specialty chemical players, Vikas Ecotech is well prepared to ride this growth journey with profitable yet sustainable results.




Vikas Ecotech's V-ECOFLAMEX fire retardant additive contributes to the safety measures being implemented across public spaces, factories and private homes.



No other player in India currently has the proprietary green technology for lead-free Organotin Stabilisers.

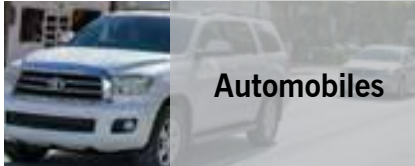
Serving a diverse range of industries



Agriculture

Products Used


- Organotin Stabilizers
- Plasticizers
- PVC Compounds



Automobiles

Products Used

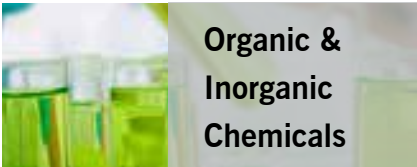
- Plasticizers
- Flame Retardants
- TPR Compounds



Cables & Wires

Products Used

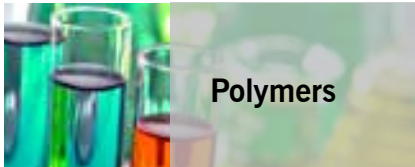
- Plasticizers
- Flame Retardants
- EVA & PVC Compounds



Organic & Inorganic Chemicals

Products Used

- Chlorinated Paraffin
- DMTDC



Polymers

Products Used

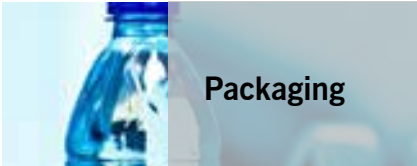
- Organotin Stabilizers
- Plasticizers
- Chlorinated Polyethylene



Healthcare Industry

Products Used

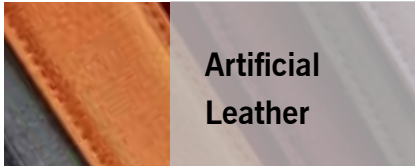
- Organotin Stabilizers
- Plasticizers
- PVC Compounds



Packaging

Products Used


- Organotin Stabilizers
- Plasticizers
- Recycled PET



Artificial Leather

Products Used

- Plasticizers
- Flame Retardants
- TPR Compounds



Footwear

Products Used

- Plasticizers
- TPR Compounds
- PVC Compounds

A photograph of a silver laptop resting on a lush green lawn. The laptop screen is dark and displays the text 'FINANCIAL REPORTS & STATEMENTS' in a bold, orange, sans-serif font. The background is a soft-focus green field with trees and a building in the distance.

**FINANCIAL
REPORTS &
STATEMENTS**

BOARD'S REPORT

The Members,
Vikas EcoTech Limited

Your Directors have pleasure in presenting the 31st Annual Report on the business and operations of the Company and Audited Statement of Accounts for the year ended March 31, 2016.

1. FINANCIAL SUMMARY OR HIGHLIGHTS

The Company's financial performance, for the year ended March 31, 2016 is summarized below:-

| (₹ in lacs) | | |
|---|------------------|------------------|
| Particulars | 2015-2016 | 2014-2015 |
| Net Sales /Income from Business Operations | 30,715.20 | 21,101.55 |
| Other Income | 483.09 | 370.70 |
| Total Income | 31,198.29 | 21,472.24 |
| Gross Expenditure | 25,818.12 | 19,437.03 |
| Less Interest | 1,133.53 | 1,071.12 |
| Profit before Depreciation | 4,246.64 | 964.09 |
| Less Depreciation | 337.07 | 341.80 |
| Profit after depreciation and Interest/Net Profit Before Tax | 3,925.68 | 622.29 |
| Less Current Tax | 1,324.36 | 124.51 |
| Less Previous year adjustment of Income Tax | 38.46 | 63.63 |
| Less Deferred Tax | (17.83) | (36.43) |
| Mat Credit Availed | 27.24 | 92.00 |
| Net Profit after Tax | 2,553.45 | 378.58 |
| Add Share of Profit from Partnership firm/Minority Interest | - | - |
| Profit for the Period | 2,553.45 | 378.58 |
| Less Proposed Dividend | 127.11 | 127.11 |
| Less Provision for Dividend Distribution Tax | 25.87 | 24.26 |
| Net Profit after dividend and Tax | 2,400.47 | 227.21 |
| Amount transferred to General Reserve | 178.73 | 26.50 |
| Profits carried to Balance Sheet | 2,221.74 | 200.71 |
| Earnings per Share (Basic) | 1.00 | 0.15 |
| Earnings per Share (Diluted) | 1.00 | 0.15 |

Vikas EcoTech Limited achieved 46% growth in its gross revenue to ₹323 Crores in 2015-16 as against ₹221 crores in 2014-15. The financial year 2015-16 embarked upon visible improvement in operating profit margins due to focused cost efficiency measures, price discipline and low commodity prices. Vikas EcoTech sustained its investment in brand and manpower to prepare for next growth phase. The operating profit before tax grew by 530% to ₹39.25 crores in financial year 2015-16 as compared to ₹6.22 crores in financial year 2014-15. Your Company is financially strong and self reliant in terms of funds generation, debt servicing and has been able to generate sufficient profits for dividend payouts. A constant rise in turnover and profits of the Company is apparent and your Directors are expecting better results both in terms of operations of the Company and its financial position.

2. STATE OF AFFAIRS OF THE COMPANY

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

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

Future Outlook

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

Subsidiary Companies, Joint Venture and Consolidated Financial Statements

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

3. RESERVES

Your Company proposes to carry ₹1.78 crores to the general reserve and retain ₹22.22 crores in the profit and loss account.

4. DIVIDEND

Your Directors are pleased to recommend a dividend @ 5% i.e. of ₹0.05/- (Five Paise) per share on 25,42,39,675 (Twenty Five Crore Forty Two Lac Thirty Nine Thousand Six Hundred Seventy Five) Equity Shares for the current financial year. The dividend if approved and declared in the ensuing Annual General meeting would result in a payout of ₹1,27,11,983.75/- (Rupees One Crore Twenty Seven Lac Eleven Thousand Nine Hundred Eighty Three and Paise Seventy Five) and Dividend Distribution Tax of ₹25,87,906/- aggregating a total outflow of ₹1,52,99,889/-.

The dividend would be payable to all Shareholders whose names appear in the Register of Members as on the Book Closure Date. The Register of Members and Share Transfer books shall remain closed from Saturday, September 24, 2016 to Friday, September 30, 2016 (both days inclusive).

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

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

6. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the financial year ended March 31, 2016.

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

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Vivek Garg, Whole-time Director, is due to retire by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment.

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

Mrs. Vibha Mahajan was appointed as Additional Director (Women Director) of the Company on August 12, 2015 and regularize in the meeting of shareholders held at September 30, 2015.

Mr. Narender Kumar Garg, Non Executive Independent Director resigned on April 29, 2016 and Ms. Deepika Bhardwaj, Executive Director resigned on May 18, 2015

Ms. Gayatri Chawla working as Company Secretary of the Company w.e.f. 14.02.2015 resigned on 29.02.2016. Thereafter Mr. Siddharth Agrawal was appointed as Company Secretary of the Company on 23.05.2016

Appropriate Resolution(s) seeking your approval to the appointment/ re-appointment of Directors are also included in the Notice.

8. NUMBER OF MEETINGS OF BOARD OF DIRECTORS

During the financial year 2015-2016, the Board of Directors of the Company, met 4 (Four) times on, May 30, 2015, August 12, 2015, October 26, 2015, February 4, 2016.

9. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

10. DECLARATION BY INDEPENDENT DIRECTOR(S) AND RE-APPOINTMENT, IF ANY

All the Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

11. NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In adherence of section 178(1) of the Companies Act, 2013, the Board of Directors of the Company in its Meeting held on 14th February 2014, approved a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided u/s 178(3), based on the recommendations of the Nomination and Remuneration Committee. The broad parameters covered under the Policy are – Company Philosophy, Guiding Principles, Nomination of Directors, Remuneration of Directors, Nomination and Remuneration of the Key Managerial Personnel

(Other than Managing/ Whole-time Directors), Key-Executives and Senior Management and the Remuneration of Other Employees. The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in ANNEXURE – D and forms part of this Report.

12. FORMAL ANNUAL EVALUATION

In line with the statutory requirements enshrined under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out a performance evaluation of itself, its Committees, the Chairman and each of the other Directors. As in previous year, this was carried out on the basis of framework approved by the Nomination and Remuneration Committee. The Committee had unanimously consented for an 'in-house' review built on suggestive parameters. Based on the suggestive parameters approved by the Nomination and Remuneration Committee, the following evaluations were carried out:

- ▶ Review of Board as a whole by all the Members of the Board
- ▶ Review of all Board Committees by all the Members of the Board
- ▶ Review of Individual Directors by rest of the Board Members except the Director being evaluated

13. EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in Form No. MGT – 9 forms part of the Board's Report and is annexed herewith as ANNEXURE - A.

14. AUDITORS

1. Statutory Auditors

The Statutory Auditors, M/s RSPH & Associates, Chartered Accountants, (Registration No.) hold office till the conclusion of the ensuing Annual General Meeting.

2. Cost Auditors

Pursuant to the provisions of Section 141 read with Section 148 of the Companies Act, 2013 and Rules made there under, M/s Niraj Kumar Vishwakarma & Associates, Cost Accountants, New Delhi were appointed as the cost auditors of the Company for the year ending March 31, 2016.

In terms of the Cost Audit Order notified by the Ministry of Corporate Affairs dated December 31, 2014, the Company is covered under the purview of Cost Audit.

3. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed there under, M/s AAA & Associates were appointed as the Secretarial Auditors of the Company to carry out the secretarial audit for the year ending March 31, 2016.

A Secretarial Audit Report given by the Secretarial Auditors in Form No. MR-3 is annexed with this Report as ANNEXURE – G. There are no qualifications, reservations or adverse remarks made by Secretarial Auditors in their Report.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the financial year ended March 31, 2016, no Loans, Investment or guarantee u/s 186 of the Companies Act, 2013 was made by the Company.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of every contract and arrangement entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC-2 in ANNEXURE – B and form part of this Report.

17. DETAILS RELATING TO DEPOSITS COVERED UNDER CHAPTER V OF THE ACT

The Company has not accepted any deposits during the year under review.

18. CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

During the year under review, the Company undertook CSR initiative for cause of Education through the “Maharaja Agrasen Technical Education Society (Regd.)” and ₹15,00,000/- (Rupees Fifteen Lacs) were allocated and spent for the said cause of promoting education being one of the areas Company is presently focusing.

The Annual Report on Company’s CSR activities is furnished in “Annexure E” and attached to this report.

19. AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company, comprises 3 (Three) Members, namely Shri Sumer Chand Tayal, Shri. Manoj Singhal, Shri. Purushottam Dass Bhoot all of them being Independent Directors. Shri Sumer Chand Tayal, an independent Director, is the Chairperson of the Audit Committee. The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year.

20. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. The Company has developed a risk management policy and has also constituted Risk Management Committee consisting majority of non-executive independent Directors for timely recognition and cure of the business, financial and other risks associated with the working of the Company. The composition and other details of the Risk Management Committee of the Company are detailed in Corporate Governance Report. The Committee meets at regular intervals and monitors implementation of Risk Management Policy of the Company.

21. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Risk Management and Governance Department of the Company have assured the existence of various risk-based controls in the Company and also tested the key controls towards assurance for compliance for the present fiscal.

Further, the testing of such controls was also carried out independently by the Statutory Auditors of the Company as mandated under the provisions of the Companies Act, 2013.

In the opinion of the Board, the existing internal control framework is adequate and commensurate to the size and nature of the business of the Company.

22. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company has also established a vigil mechanism and oversees it through the Audit Committee to resolve the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co-employees and the Company.

23. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY’S OPERATIONS IN FUTURE

There was no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company’s operations in future.

24. DETAILS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013

Details pursuant to section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report and are annexed herewith as ANNEXURE- C.

25. EMPLOYEES STOCK OPTION PLANS

The Company pursuant to the Special Resolution passed at the Annual General Meeting held on September 28, 2011 for issue and allotment of Equity shares under Employee Stock Option Scheme (ESOS), has constituted a Compensation Committee. An Employee Stock Option Scheme 2011 (ESOS 2011) to reward the Employees of the Company for their performance and association with the Company and to motivate them to contribute to the growth and profitability of the Company was accordingly formulated and implemented.

During the previous financial year no exercise of options has taken place during the financial year under reporting and thus no shares has been allotted under Employee Stock Option Scheme 2011 of the Company.

During the previous financial year the said scheme has been lapsed as on December 1, 2015 and no shares can now be allotted against the same. The Board of Directors had passed a resolution in their meeting held on February 4, 2016 to rescind the said scheme of the Company

Disclosures under Regulation 14 of Securities Exchange Board of India (Share Based Employment Benefits) Regulations, 2014 are available at website of the Company www.vikasecotech.com at weblink : <http://vikasecotech.com/announcement/DisclosureunderSEBI.pdf>.

26. CREDIT RATINGS

During the year under review Brickwork Ratings India Private Limited, A SEBI, RBI & NSIC registered credit rating agency in India, has assigned Bank rating BWR BBB- (BWR Triple B minus) for Long-term bank facilities and the Outlook of which is Stable regarding timely servicing of financial obligations and BWR A3 (BWR A Three) for Short-term bank facilities.

27. CORPORATE GOVERNANCE

Your Company upholds the standards of governance and is compliant with the Corporate Governance provisions as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in both letter and spirit. The Company's core values of honesty and transparency have since its inception been followed in every line of decision making. Setting the tone at the top, your Directors cumulatively at the Board level, advocate good governance standards. Vikas EcoTech has been built on a strong foundation of good corporate governance which is now a standard for all operations across your Company.

Parameters of Statutory compliances evidencing the standards expected from a listed entity have been duly observed and a Report on Corporate Governance as well as the Certificate from Statutory Auditors confirming compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

Further, the Management Discussion and Analysis Report and CEO / CFO Certificate as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are also presented in separate sections forming part of the Annual Report.

28. ENVIRONMENT, HEALTH AND SAFETY

Your Company is continuously working towards laying a strong foundation and creating a sustainable future for our organization, our people and the society as a whole. Here, Environment Health and Safety (EHS) management is a key pillar of our sustainable growth agenda. We are committed to lead and excel in all aspects of environmental stewardship, safety, health

and social responsibility, always striving to provide safe and healthy work environment to our employees and efficient, safe and environmentally responsible products to our customers. Your Company's primary focus in this regard is on product innovation, developing safe and efficient products which are environmentally friendly, i.e. energy-efficient, safer to use, using non-toxic / eco-friendly raw-materials, having long use life and those can be safely disposed and dismantled at the end of their use life. Further, we are actively working towards improving the EHS systems and practices within our operations. From environment aspect, our efforts are directed towards resource conservation and efficiency within our operations. We have initiated an energy conservation drive within our plants with the objective of monitoring our energy consumption at micro-level, benchmarking our performance and implementing solutions for continuous improvements.

29. RESEARCH & DEVELOPMENT

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

30. LISTING OF SECURITIES

The shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Subsequent to the notification of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) during the year, the Company has entered into "Uniform Listing Agreement" with both the Stock Exchanges where its securities are listed, namely, National Stock Exchange of India Limited and BSE Limited in order to carry out a novation of the erstwhile Listing Agreement. The listing fee for the year 2016-17 has already been paid to the credit of both the Stock Exchanges.

31. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, the Company has not transferred any amount in Investor Education and Protection Fund.

32. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE, EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in ANNEXURE - F and forms part of this Report.

33. ACKNOWLEDGEMENT

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

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Vikas EcoTech Limited

(Purushottam Dass Bhoot)

Chairman & Director

DIN-00094087

(Vikas Garg)

Managing Director

DIN-00255413

ANNEXURE A TO BOARD REPORT**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2016

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

I. REGISTRATION & OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the Company |
|---------|--|---------------------------------|------------------------------------|
| 1 | Thermoplastic Rubber Compounds | 20119 | 33.97 |

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % Of Shareheld | Applicable Section |
|--|---------------------------------|---------|--------------------------------|----------------|--------------------|
| The Company has no subsidiary/associate as on 31st March, 2016 | | | | | |

II. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--|---|------------------|---------------------|-------------------|---|------------------|---------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 7,67,84,305 | 0 | 7,67,84,305 | 30.20 | 7,37,44,305 | 0 | 7,37,44,305 | 29.01 | -1.20 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corp. | 3,03,24,075 | 0 | 3,03,24,075 | 11.93 | 4,32,21,141 | 0 | 4,32,21,141 | 17.00 | 5.07 |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of Promoter (A) | 10,71,08,380 | 0 | 10,71,08,380 | 42.13 | 11,69,65,446 | 0 | 11,69,65,446 | 46.01 | 3.88 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FIs | 30,000 | 0 | 30,000 | 0.01 | 5,09,178 | 0 | 5,09,178 | 0.20 | 0.19 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1):- | 30,000 | 0 | 30,000 | 0.01 | 5,09,178 | 0 | 5,09,178 | 0.20 | 0.19 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 8,49,70,906 | 1,67,500 | 8,51,38,406 | 33.49 | 7,58,77,444 | 2,67,500 | 7,61,44,944 | 29.95 | -3.54 |
| i) Indian | | | | | | | | | |
| ii) Overseas | | | | | | | | | |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto ₹2 lakh | 91,28,240 | 26,33,912 | 1,17,62,152 | 4.63 | 1,66,84,323 | 25,16,887 | 1,92,01,210 | 7.55 | 2.93 |
| ii) Individual shareholders holding nominal share capital in excess of ₹2 lakh | 4,88,52,767 | 11,61,375 | 5,00,14,142 | 19.67 | 4,14,08,897 | 0 | 4,14,08,897 | 16.29 | -3.38 |
| c) Others (specify) | | | | | | | | | |
| c-i) Non Resident Indian | 74,095 | 1,12,500 | 1,86,595 | 0.07 | 0 | 0 | 0 | 0 | -0.07 |
| c-ii) NBFC Registered with RBI | 0 | 0 | 0 | 0 | 10,000 | 0 | 10,000 | 0.004 | 0.004 |
| Sub-total (B)(2):- | 14,30,26,008 | 40,75,287 | 14,71,01,295 | 57.86 | 13,39,80,664 | 27,84,387 | 13,67,65,051 | 54 | -4.06 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 14,30,56,008 | 40,75,287 | 14,71,31,295 | 57.87 | 13,44,89,842 | 27,84,387 | 13,72,74,229 | 53.99 | -3.87 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 25,01,64,388 | 40,75,287 | 25,42,39,675 | 100 | 25,14,55,288 | 27,84,387 | 25,42,39,675 | 100 | 0.00 |

II. SHARE HOLDING OF PROMOTERS

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
|---------|------------------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Asha Garg | 8,025 | 0.003 | 0 | 8,025 | 0.003 | 0 | NIL |
| 2 | Baby Sukriti Garg | 3,78,325 | 0.149 | 0 | 3,78,325 | 0.149 | 0 | NIL |
| 3 | Ishwar Gupta | 42,800 | 0.017 | 0 | 2,800 | 0.001 | 0 | 0 |
| 4 | Seema Garg | 32,17,175 | 1.265 | 0 | 32,17,175 | 1.265 | 0 | NIL |
| 5 | Vikas Garg | 5,33,62,250 | 20.989 | 0 | 5,03,62,250 | 19.809 | 0 | -1 |
| 6 | Vikas Garg (Sukriti Welfare Trust) | 44,56,550 | 1.753 | 0 | 44,56,550 | 1.753 | 0 | NIL |
| 7 | Vikas Garg (HUF) | 34,00,855 | 1.338 | 0 | 34,00,855 | 1.338 | 0 | NIL |
| 8 | Vivek Garg | 10,71,550 | 0.421 | 0 | 10,71,550 | 0.421 | 0 | NIL |
| 9 | Usha Garg | 22,33,000 | 0.878 | 0 | 22,33,000 | 0.878 | 0 | NIL |
| 10 | Jai Kumar Garg | 10,19,750 | 0.401 | 0 | 10,19,750 | 0.401 | 0 | NIL |
| 11 | Jai Kumar Garg (Huf) | 11,18,500 | 0.440 | 0 | 11,18,500 | 0.440 | 0 | NIL |
| 12 | Nand Kishore Garg | 61,32,775 | 2.412 | 0 | 61,32,775 | 2.412 | 0 | NIL |
| 13 | Nand Kishore Garg (HUF) | 3,37,750 | 0.133 | 0 | 3,37,750 | 0.133 | 0 | NIL |
| 14 | Vaibhav Garg | 5,000 | 0.002 | 0 | 5,000 | 0.002 | 0 | NIL |
| 15 | Vikas Polymerland Pvt. Ltd. | 3,03,24,075 | 11.927 | 0 | 0 | 0.000 | 0 | -11.927 |
| 16 | Moonlite Technochem Pvt. Ltd. | 0 | 0.000 | 0 | 4,32,21,141 | 17.000 | 0 | 17.000 |
| | TOTAL | 10,71,08,380 | 42.126 | 0 | 11,69,65,446 | 46.006 | 0 | 3.880 |

* Moonlite Technochem Private Limited (Transferee Company) has acquired the shares of Magic Tradelink Private Limited (Formerly Known as Jai Ganesh Chit Fund Private Limited) (Transferor Company) and Vikas Polymerland Private Limited (Transferor Company) on 1st April, 2016, pursuant to the merger vide order of Hon'ble High Court of Delhi dated 09.09.2015 effective from 29.09.2015 whereas appointed date was 01.04.2014.

II. CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

| Sr. No. | Promoters Name | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Mrs. Asha Garg | | | | |
| | At the beginning of the year | 8,025 | 0.003 | | |
| | No Changes | --- | --- | 8,025 | 0.003 |
| | At the End of the year | 8,025 | 0.003 | | |
| 2 | Baby Sukriti Garg | | | | |
| | At the beginning of the year | 3,78,325 | 0.149 | | |
| | No Changes | --- | --- | 3,78,325 | 0.149 |
| | At the End of the year | 3,78,325 | 0.149 | | |
| 3 | Mr. Ishwar Gupta | | | | |
| | At the beginning of the year | 42,800 | 0.017 | | |
| | Transactions (Purchase/sale) from 12.02.2016 upto 19.02.2016 | -40,000 | -0.016 | 2,800 | 0.001 |
| | At the End of the year | 2,800 | 0.001 | | |
| 4 | Mrs. Seema Garg | | | | |
| | At the beginning of the year | 32,17,175 | 1.265 | | |
| | No Changes | --- | --- | 32,17,175 | 1.265 |
| | At the End of the year | 32,17,175 | 1.265 | | |
| 5 | Mr. Vikas Garg | | | | |
| | At the beginning of the year | 5,33,62,250 | 20.989 | | |
| | Sale in the Open Market on 04.11.2015 | -5,00,000 | 0.197 | 5,28,62,250 | 20.792 |
| | Sale in the Open Market on 05.11.2015. | -10,00,000 | 0.393 | 5,18,62,250 | 20.399 |
| | Sale in the Open Market on 06.11.2015. | -5,00,000 | 0.197 | 5,13,62,250 | 20.202 |
| | Sale in the Open Market on 10.11.2015. | -10,00,000 | 0.393 | 5,03,62,250 | 19.809 |
| | At the End of the year | 5,03,62,250 | 19.809 | | |
| 6 | Vikas Garg (Sukriti Welfare Trust) | | | | |
| | At the beginning of the year | 44,56,550 | 1.753 | | |
| | No Changes | --- | --- | 44,56,550 | 1.753 |
| | At the End of the year | 44,56,550 | 1.753 | | |
| 7 | Vikas Garg (HUF) | | | | |
| | At the beginning of the year | 34,00,855 | 1.338 | | |
| | No Changes | --- | --- | 34,00,855 | 1.338 |
| | At the End of the year | 34,00,855 | 1.338 | | |

| | | | | |
|---|---------------|----------------------------------|---------------|----------------------------------|
| 8 Mr. Vivek Garg | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | 10,71,550 | 0.42 | | |
| No Changes | --- | --- | 10,71,550 | 0.42 |
| At the End of the year | 10,71,550 | 0.42 | | |
| 9 Mrs. Usha Garg | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | 22,33,000 | 0.878 | | |
| No Changes | --- | --- | 22,33,000 | 0.878 |
| At the End of the year | 22,33,000 | 0.878 | | |
| 10 Mr. Jai Kumar Garg | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | 10,19,750 | 0.401 | | |
| No Changes | --- | --- | 10,19,750 | 0.401 |
| At the End of the year | 10,19,750 | 0.401 | | |
| 11 Jai Kumar Garg (HUF) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | 11,18,500 | 0.44 | | |
| No Changes | --- | --- | 11,18,500 | 0.44 |
| At the End of the year | 11,18,500 | 0.44 | | |
| 12 Mr. Nand Kishore Garg | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | 61,32,775 | 2.412 | | |
| No Changes | --- | --- | 61,32,775 | 2.412 |
| At the End of the year | 61,32,775 | 2.412 | | |
| 13 Nand Kishore Garg (HUF) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | 3,37,750 | 0.133 | | |
| No Changes | --- | --- | 3,37,750 | 0.133 |
| At the End of the year | 3,37,750 | 0.133 | | |
| 14 Mr. Vaibhav Garg | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | 5,000 | 0.002 | | |
| No Changes | --- | --- | 5,000 | 0.002 |
| At the End of the year | 5,000 | 0.002 | | |
| 15 Moonlite Technochem Pvt. Ltd. | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | NIL | NIL | | |
| Acquired the shares of Magic Tradelink Private Limited (Formerly Known as Jai Ganesh Chit Fund Private Limited) (Transferor Company) and Vikas Polymerland Private Limited (Transferor Company) on 1st April, 2016, pursuant to the merger vide order dated 09.09.2015 of Hon'ble High Court of Delhi effective from 29.09.2015 | 4,32,21,141 | 17 | 4,32,21,141 | 17 |
| At the End of the year | 4,32,21,141 | 17 | | |

II. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

| Sr. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Athena Multitrade Private Limited | | | | |
| | At the beginning of the year | 2,97,96,000 | 11.720 | | |
| | Transactions (Purchase/sale) from 21.08.2015 upto 28.08.2015 | -1,54,500 | -0.061 | 2,96,41,500 | 11.659 |
| | Transactions (Purchase/sale) from 29.01.2016 upto 05.02.2016 | -4,10,000 | -0.161 | 2,92,31,500 | 11.498 |
| | Transactions (Purchase/sale) from 19.02.2016 upto 26.02.2016 | -3,00,000 | -0.118 | 2,89,31,500 | 11.380 |
| | Transactions (Purchase/sale) from 26.02.2016 upto 04.03.2016 | -10,00,000 | -0.393 | 2,79,31,500 | 10.986 |
| | Transactions (Purchase/sale) from 11.03.2016 upto 18.03.2016 | -75,00,000 | -2.950 | 2,04,31,500 | 8.036 |
| | At the End of the year (or on the date of separation, if separated during the year) | 2,04,31,500 | 8.036 | | |
| 2 | Globe Capital Market Limited | | | | |
| | At the beginning of the year | 61,600 | 0.024 | | |
| | Transactions (Purchase/sale) from 01.04.2015 upto 12.02.2016 | 13,08,569 | 0.515 | 13,70,169 | 0.539 |
| | Transactions (Purchase/sale) from 12.02.2016 upto 19.02.2016 | 17,08,243 | 0.672 | 30,78,412 | 1.211 |
| | Transactions (Purchase/sale) from 19.02.2016 upto 26.02.2016 | 17,13,401 | 0.674 | 47,91,813 | 1.885 |
| | Transactions (Purchase/sale) from 26.02.2016 upto 04.03.2016 | 34,11,809 | 1.342 | 82,03,622 | 3.227 |
| | Transactions (Purchase/sale) from 04.03.2016 upto 11.03.2016 | 9,07,706 | 0.357 | 91,11,328 | 3.584 |
| | Transactions (Purchase/sale) from 11.03.2016 upto 18.03.2016 | -3,57,211 | -0.141 | 87,54,117 | 3.443 |
| | Transactions (Purchase/sale) from 18.03.2016 upto 25.03.2016 | 2,15,809 | 0.085 | 89,69,926 | 3.528 |
| | Transactions (Purchase/sale) from 25.03.2016 upto 31.03.2016 | 8,41,577 | 0.331 | 98,11,503 | 3.859 |
| | At the End of the year (or on the date of separation, if separated during the year) | 98,11,503 | 3.859 | | |
| 3 | Globe Fincap Limited | | | | |
| | At the beginning of the year | 5,40,000 | 0.212 | | |
| | Transactions (Purchase/sale) from 01.04.2015 upto 11.03.2016 | -5,32,500 | -0.209 | 7,500 | 0.003 |
| | Transactions (Purchase/sale) from 11.03.2016 upto 18.03.2016 | 75,00,000 | 2.950 | 75,07,500 | 2.953 |
| | At the End of the year (or on the date of separation, if separated during the year) | 75,07,500 | 2.953 | | |

| | | | | |
|---|---------------|----------------------------------|---------------|----------------------------------|
| 4 Govind Aggarwal | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | 29,34,527 | 1.154 | | |
| No Transactions | -- | -- | 29,34,527 | 1.154 |
| At the End of the year (or on the date of separation, if separated during the year) | 29,34,527 | 1.154 | | |
| 5 Surface Finance Private Limited | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | 24,24,558 | 0.954 | | |
| No Transactions | -- | -- | 24,24,558 | 0.954 |
| At the End of the year (or on the date of separation, if separated during the year) | 24,24,558 | 0.954 | | |
| 6 Krishan Mittal | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | 23,48,080 | 0.924 | | |
| No Transactions | -- | -- | 23,48,080 | 0.924 |
| At the End of the year (or on the date of separation, if separated during the year) | 23,48,080 | 0.924 | | |
| 7 Daya Goyal | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | 21,92,400 | 0.862 | | |
| No Transactions | -- | -- | 21,92,400 | 0.862 |
| At the End of the year (or on the date of separation, if separated during the year) | 21,92,400 | 0.862 | | |
| 8 Naresh Kumar | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | 21,67,500 | 0.853 | | |
| No Transactions | -- | -- | 21,67,500 | 0.853 |
| At the End of the year (or on the date of separation, if separated during the year) | 21,67,500 | 0.853 | | |
| 9 Ojas Asset Reconstruction Company Limited | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | 21,50,900 | 0.846 | | |
| No Transactions | -- | -- | 21,50,900 | 0.846 |
| At the End of the year (or on the date of separation, if separated during the year) | 21,50,900 | 0.846 | | |
| 10 Harsha Goyal | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| At the beginning of the year | 19,35,000 | 0.761 | | |
| No Transactions | -- | -- | 19,35,000 | 0.761 |
| At the End of the year (or on the date of separation, if separated during the year) | 19,35,000 | 0.761 | | |

II. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

| Sr. No. | Name of the Directors & KMP's | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Mr. Vikas Garg (Managing Director) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 5,33,62,250 | 20.989 | | |
| | Sale in the Open Market on 04.11.2015. | -5,00,000 | 0.197 | 5,28,62,250 | 20.792 |
| | Sale in the Open Market on 05.11.2015. | -10,00,000 | 0.393 | 5,18,62,250 | 20.399 |
| | Sale in the Open Market on 06.11.2015. | -5,00,000 | 0.197 | 5,13,62,250 | 20.202 |
| | Sale in the Open Market on 10.11.2015. | -10,00,000 | 0.393 | 5,03,62,250 | 19.809 |
| | At the End of the year | 5,03,62,250 | 19.809 | | |
| 2 | Mr. Vivek Garg (Whole-Time Director) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 10,71,550 | 0.42 | | |
| | No Changes | --- | --- | 10,71,550 | 0.42 |
| | At the End of the year | 10,71,550 | 0.42 | | |
| 3 | Mr. Ashutosh Kumar Verma (CEO & Whole-Time Director) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 75,000 | 0.029 | | |
| | No Changes | --- | --- | 75,000 | 0.029 |
| | At the End of the year | 75,000 | 0.029 | | |
| 4 | Ms. Deepika Bhardwaj (Whole-Time Director, Resigned on 18.05.2015) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | NIL | NIL | | |
| | No Changes | --- | --- | | |
| | At the End of the year | NIL | NIL | | |
| 5 | Mr. Prushottam Dass Bhoot (Director) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 40,000 | 0.016 | | |
| | No Changes | --- | --- | 40,000 | 0.016 |
| | At the End of the year | 40,000 | 0.016 | | |
| 6 | Mr. Sumer Chand Tayal (Director) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 1,87,500 | 0.074 | | |
| | Sale in the Open Market on 06.04.2015. | -5,978 | -0.002 | 1,81,522 | 0.071 |
| | Sale in the Open Market on 09.04.2015. | -2,000 | -0.001 | 1,79,522 | 0.071 |
| | Sale in the Open Market on 05.05.2015. | -4,183 | -0.002 | 1,75,339 | 0.069 |
| | Sale in the Open Market on 15.05.2015. | -4,000 | -0.002 | 1,71,339 | 0.067 |
| | Sale in the Open Market on 19.06.2015. | -4,000 | -0.002 | 1,67,339 | 0.066 |
| | Sale in the Open Market from June to March | -1,06,189 | -0.042 | 61,150 | 0.024 |
| | At the End of the year | 61,150 | 0.024 | | |

| | | | | | |
|-----------|---|---------------|----------------------------------|---------------|----------------------------------|
| 7 | Mr. Pradip Kumar Banerji (Director) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 1,87,500 | 0.074 | | |
| | No Changes | --- | --- | 1,87,500 | 0.074 |
| | At the End of the year | 1,87,500 | 0.074 | | |
| 8 | Mr. Jagdish Capoor (Director) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 1,87,500 | 0.074 | | |
| | No Changes | --- | --- | 1,87,500 | 0.074 |
| | At the End of the year | 1,87,500 | 0.074 | | |
| 9 | Mr. Narender Kumar Garg (Director, Resigned on 29.04.2015) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 1,87,500 | 0.074 | | |
| | No Changes | --- | --- | 1,87,500 | 0.074 |
| | At the End of the year | 1,87,500 | 0.074 | | |
| 10 | Mr. Manoj Singhal (Director) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | NIL | NIL | | |
| | No Changes | --- | --- | | |
| | At the End of the year | NIL | NIL | | |
| 11 | Mrs. Vibha Mahajan (Director, Appointed on 12.08.2015) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | NIL | NIL | | |
| | No Changes | --- | --- | | |
| | At the End of the year | NIL | NIL | | |
| 12 | Ms. Gayatri Chawla (Company Secretary, Resigned on 29.02.2016) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | NIL | NIL | | |
| | No Changes | --- | --- | | |
| | At the End of the year | NIL | NIL | | |
| 13 | Mr. Siddharth Agrawal (Company Secretary, Appointed on 23.05.2016) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | NIL | NIL | | |
| | No Changes | --- | --- | | |
| | At the End of the year | NIL | NIL | | |
| 14 | Mr. Pankaj Kumar Gupta (Chief Financial Officer) | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | NIL | NIL | | |
| | No Changes | --- | --- | | |
| | At the End of the year | NIL | NIL | | |

INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

(amount in ₹)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------------------|--------------------|------------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 8,90,76,870 | NIL | NIL | 8,90,76,870 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | 8,90,76,870 | NIL | NIL | 8,90,76,870 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | 5,05,18,301 | | | 5,05,18,301 |
| * Reduction | 1,83,71,760 | | | 1,83,71,760 |
| Net Change | 3,21,46,541 | NIL | NIL | 3,21,46,541 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 12,12,23,411 | NIL | NIL | 12,12,23,411 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | 12,12,23,411 | NIL | NIL | 12,12,23,411 |

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(amount in ₹)

| Sr. no. | Particulars of Remuneration | Name of the Directors | | | Total Amount |
|------------|---|------------------------|-------------------------|-----------------------------------|------------------|
| | | Mr. Vikas Garg (MD) | Mr. Vivek Garg (WTD) | Mr. Ashutosh Kumar Verma (WTD) | |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 3,60,000 | NIL | 16,80,000 | 20,40,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 2,40,000 | 0 | 0 | 2,40,000 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | 0 | 0 | 0 | 0 |
| 2 | Stock Option | 0 | 0 | 0 | 0 |
| 3 | Sweat Equity | 0 | 0 | 0 | 0 |
| 4 | Commission | 0 | 0 | 0 | 0 |
| | - as % of profit | | | | |
| | - others, specify... | | | | |
| 5 | Others, please specify | 0 | 0 | 0 | 0 |
| | Total (A) | 6,00,000 | NIL | 16,80,000 | 22,80,000 |

Ceiling as per the Act

B. REMUNERATION TO OTHER DIRECTORS

(amount in ₹)

| Sr. no. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|----------|--|--|--|---|--------------------------------------|-----------------|
| | | Mr. Jagdish Capoor (Independent Director)" | Mr. Sumer Chand Tayal (Independent Director) | Mr. Pradip Kumar Banerji (Independent Director) | Mr. P D Bhoot (Independent Director) | |
| 1 | Independent Directors | | | | | |
| | Fee for attending board committee meetings | 40,000 | 60,000 | 60,000 | 60,000 | 2,20,000 |
| | Commission | 0 | 0 | 0 | 0 | 0 |
| | Others, please specify | 0 | 0 | 3,000 | 0 | 3,000 |
| | Total (1) | 40,000 | 60,000 | 63,000 | 60,000 | 2,23,000 |
| 2 | Other Non-Executive Directors | 0 | 0 | 0 | 0 | 0 |
| | Fee for attending board committee meetings | 0 | 0 | 0 | 0 | 0 |
| | Commission | 0 | 0 | 0 | 0 | 0 |
| | Others, please specify | 0 | 0 | 0 | 0 | 0 |
| | Total (2) | 0 | 0 | 0 | 0 | 0 |
| | Total (B)=(1+2) | 40,000 | 60,000 | 63,000 | 60,000 | 2,23,000 |
| | Total Managerial Remuneration | | | | | |

Overall Ceiling as per the Act

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(amount in ₹)

| Sr. no. | Particulars of Remuneration | Key Managerial Personnel | | |
|----------|---|---|---------------------------------------|------------------|
| | | Mr. Pankaj Kumar Gupta, Chief Financial Officer | Ms. Gayatri Chawla, Company Secretary | Total |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 5,79,780 | 7,21,637 | 13,01,417 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | | |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | | |
| 2 | Stock Option | | | |
| 3 | Sweat Equity | | | |
| 4 | Commission | | | |
| | - as % of profit | | | |
| | others, specify... | | | |
| 5 | Others, please specify | | | |
| | Total | 5,79,780 | 7,21,637 | 13,01,417 |

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE

ANNEXURE B TO BOARD REPORT**FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014. Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

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

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

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

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

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

ANNEXURE C TO BOARD REPORT

DETAILS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Remuneration paid to Directors & Key Managerial Personnel's (KMP's):

| Title | Remuneration in F.Y. 2015-16 (₹In Lacs) | Remuneration in F.Y. 2014-15 (₹In Lacs) | No. of Stock options/RSUs granted in F.Y. 2015-16 | % increase of remuneration in 2015-16 as compared to 2014-15 | Excl. MP | Incl. MP | Ratio of remuneration to | |
|-----------------------------|---|---|---|--|------------------------------|-------------------------------------|--------------------------|---------------------------|
| | | | | | Ratio of remuneration to MRE | Ratio of remuneration to MRE and MP | Revenues (F.Y. 2015-16) | Net Profit (F.Y. 2015-16) |
| Whole-Time Director and CEO | 16.8 | 16.8 | - | - | 7 | 7.28 | 0.05% | 0.66% |
| Director | - | 1.32 | - | - | - | - | 0.00% | 0.00% |
| Chief Financial Officer | 5.8 | 4.6 | - | 21.82% | 2.42 | 2.51 | 0.02% | 0.23% |
| Managing Director | 6 | 5.72 | - | 5.31% | 2.5 | 2.6 | 0.02% | 0.23% |
| Company Secretary | 7.21 | 5.27 | - | 36.81% | 3 | 3.13 | 0.02% | 0.28% |

The Median Remuneration of Employees (MRE) excluding Managerial Personnel (MP) was ₹2,40,000/- and ₹3,13,306/- in F.Y. 2015-16 and F.Y. 2014-15 respectively. The decrease in MRE (excluding MP) in F.Y. 2015-16, as compared to F.Y. 2014-15 is 23%.

The Median Remuneration of Employees (MRE) including Managerial Personnel (MP) was ₹2,30,643/- and ₹2,96,700/- in F.Y. 2015-16 and F.Y. 2014-15 respectively. The decrease in MRE (including MP) in F.Y. 2015-16, as compared to F.Y. 2014-15 is 22%.

The number of permanent employees on the rolls of the Company as of March 31, 2016 and March 31, 2015 was 81 and 63 respectively.

The revenue growth during F.Y. 2015-16 over F.Y. 2014-15 was 46% and net profit after tax of ₹2553.42 lacs was recorded during the F.Y. 2015-16 against net profit after tax of ₹379 lacs in the F.Y. 2014-15. The aggregate increase in salary for MP and other KMP's, in the current financial year, was 0.94% over F.Y. 2014-15. This was based on the recommendation of the nomination and remuneration committee to revise the remuneration as per industry benchmarks.

The market capitalization of the Company increased by 154% to ₹399.66 Crore as of March 31, 2016 from ₹157.62 Crore as of March 31, 2015 (Base BSE). The Price Earning (P/E) Ratio was ₹15.72/- as of March 31, 2016 as compared to ₹41.33/- as on March 31, 2015. The closing price of the Company's equity shares on the NSE and BSE as of March 31, 2016 was ₹15.72/- and ₹15.65/- respectively.

The Company's variable compensation philosophy for its managerial personnel is to ensure it is competitive in the global markets in which it operates, for attracting and retaining the best talent.

| Component of remuneration to directors and other KMPs | Fixed Salary | Bonus | Commission | Total |
|---|--------------|-------|------------|-------|
| As a Percentage of revenue for F.Y. 2015-16 | 0.12% | - | - | 0.12% |
| As a Percentage of net profit for F.Y. 2015-16 | 1.40% | - | - | 1.40% |

ANNEXURE D REMUNERATION POLICY

INTRODUCTION

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the Listing Agreement as amended from time to time this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

OBJECTIVE AND PURPOSE

The objective and purpose of this policy are:

- ▶ To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- ▶ To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- ▶ To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- ▶ To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on 14th February, 2015.

DEFINITIONS

- ▶ **Board** means Board of Directors of the Company.
- ▶ **Director** means Directors of the Company.
- ▶ **Committee** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- ▶ **Company** means Vikas EcoTech Limited.
- ▶ **Independent Director** means a director referred to in Section 149(6) of the Companies Act, 2013.
- ▶ **Key Managerial Personnel (KMP)** means a KMP as as defined under Section 203 of the Companies Act, 2013 and includes:
 - i. CEO/Managing Director/Manager;
 - ii. Whole-time Director;
 - iii. Chief Financial Officer;
 - iv. Company Secretary;
 - v. Such other officer as may be prescribed under the applicable statutory provisions/regulations.
- ▶ **Senior Management** means personnel of the Company occupying the position of Chief Executive Officer (CEO) of any unit / division or Vice President including Vice President of any unit / division of the Company General Manager including General Manager of any division or unit. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

APPLICABILITY

This Nomination and Remuneration Policy applies to:

- ▶ All Directors (Executive and Non Executive)
- ▶ Key Managerial Personnel
- ▶ Senior Management Personnel
- ▶ Other Employees

GENERAL

This Policy is divided in three parts: Part – A covers the matters to be dealt with and recommended by the Committee to the Board, Part – B covers the appointment and nomination and Part – C covers remuneration and perquisites etc.

PART – A**MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE****The Committee shall:**

- ▶ Formulate the criteria for determining qualifications, positive attributes and independence of a director. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- ▶ Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

PART – B**POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT****Appointment criteria and qualifications:**

- ▶ The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- ▶ A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- ▶ The Company shall not appoint or continue the employment of any person as Wholetime Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

TERM / TENURE**A. Managing Director / Whole-Time Director**

The Company shall appoint or re-appoint any person as its Managing Director or Executive Director (Whole-time Director) for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

B. Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment for another term of upto five consecutive years on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director Serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

EVALUATION

The Committee shall carry out evaluation of performance of every Director (including Independent Director), KMP and Senior Management Personnel at regular interval (yearly).

REMOVAL

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PART – C

POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

General:

The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.

Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

Fixed Pay

The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by

the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Remuneration to Non- Executive / Independent Director:**Remuneration / Commission**

The remuneration/commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder.

Sitting Fees

The Non- Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Commission

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

THE ANNUAL REPORT ON CSR ACTIVITIES ANNEXURE E TO THE BOARD'S REPORT

1. A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.

We at Vikas EcoTech Limited consider Corporate Social Responsibility as a sense of responsibility towards the community and environment (both ecological and social). We at Vikas EcoTech Limited as a corporate citizen have more common approach to CSR that is corporate philanthropy. This includes monetary donations and aid given to non-profit organizations and communities. Donations are made in areas such as the arts, education, housing, health, social welfare and the environment, among others to carry on projects and programs for welfare of public at large.

We have determined our focus areas which include eradication of Hunger, Poverty, and Malnutrition, promotion of education, environment stability, gender equality, women empowerment and rural development among others and are presently undertaking our CSR initiatives through registered societies and trusts. The CSR Policy of the Company and other details on the Company's CSR initiatives are available at website of the Company at www.vikasecotech.com at <http://vikasecotech.com/investors-corporate-governance.aspx>

2. The composition of CSR Committee.

The CSR Committee of the Company comprises of 3 Directors with majority of Non-Executive Independent Director and Chairman is also a Non-Executive Independent Director. The Committee was initially constituted with following Directors:

| | | |
|----------------------------|------------------------------------|----------|
| Mr. Purushottam Dass Bhoot | Non-Executive Independent Director | Chairman |
| Mr. Sumer Chand Tayal | Non-Executive Independent Director | Member |
| Mr. Vikas Garg | Executive Director | Member |

3. Average net profit of the Company for last three financial years.

(amount in ₹)

| Sr. No. | Financial Year | Net Profit | Average Net Profit for Preceding 3 Financial Year |
|---------|----------------|---------------|---|
| 1 | 2012-13 | 4,12,53,497/- | 4,69,85,153/- |
| 2 | 2013-14 | 3,74,73,286/- | |
| 3 | 2014-15 | 6,22,28,675/- | |

4. Prescribed CSR Expenditure (two percent of the amount mentioned in item 2 above): ₹9,39,703/-

- Total amount to be spent for the financial year: ₹9,39,703/-
- Amount unspent, if any: NIL
- Manner in which the amount spent during the financial year is detailed below.

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|---------|------------------------------------|--|---|--|---|--|---|
| Sr. No. | CSR project or Activity Identified | Sector in which the project is covered | Project or Program (1) Local Area or Other (2) Specify the State and district where projects or programs was undertaken | Amount Outlay (Budget) Project or Program wise | Amount spent on the Projects or Programs Sub Heads: (1) Direct Expenditure on Projects or Programs (2) Overheads | Cumulative Expenditure upto the reporting period | Amount Spent: Direct or through Implementing Agency |
| 1. | Promotion of Education | Education | Local Area, Delhi/ NCR | ₹ 15,00,000/- | Direct Exp. ₹15,00,000/- | ₹ 15,00,000/- | Through Implementing Agency |

*Details of implementing agency: "Maharaja Agrasen Technical Education Society (Regd.)"

5. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.

Not Applicable

6. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

We hereby confirm that the implementation and monitoring of the CSR Policy is in Compliance with the CSR Objectives and Policy of the Company and in the interest of Company and public at large.

Sd/-
(Ashutosh Kumar Verma)
Chief Executive Officer

Sd/-
(Purushottam Dass Bhoot)
Chairman CSR Committee

Sd/-
(Vikas Garg)
Managing Director

THE ANNUAL REPORT ON CSR ACTIVITIES ANNEXURE F TO THE BOARD'S REPORT

Information as per Section 134 (3) (m) of Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and forming part of the Board's Report for the year ended 31st March, 2016:

CONSERVATION OF ENERGY

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

- ▶ The Company has professionally designed & maintained Power factor Panels. These are specifically designed panels ensuring optimum use of the electricity being consumed at our factories.
- ▶ The power factor calculations on our electricity consumption calculations show that VEL is nearing perfect results in getting the best output from the electrical energy consumed in the plants.
- ▶ VEL closely monitors the throughput of all the machines to ensure that every part of the electrical energy consumed is justified with nearly nil wastage of energy.

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

WATER CONSERVATION

- ▶ Water extraction, storage, desalinization (softening hard water, filtration for further use in process) also involve a considerable consumptions of electrical energy.
- ▶ VEL plants have the rainwater harvesting systems in place which not only help conserve water but also the electrical energy involved in extraction of the volume of water thus collected.

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

TECHNOLOGY ABSORPTION

1) Efforts made in technology absorption & Benefits derived:

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

Research & Development (R&D)

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

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

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

None.

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

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

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 : ₹1,31,41,36,473/-

Outgo : ₹31,30,58,223/- (include both foreign expenses and Import purchases).

ANNEXURE-G**FORM NO. MR-3****SECRETARIAL AUDIT REPORT
(For the financial year ended 31st March, 2016)**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Vikas Ecotech Limited,
(previously known as Vikas GlobalOne Limited)
Regd. Office: 34/1 Vikas Apartment,
East Punjabi Bagh, New Delhi - 11002.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Vikas EcoTech Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st March, 2016 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; it may be noted that during the year under review there was no Foreign Direct Investment, overseas Direct Investment and External Commercial borrowings.
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and SEBI (Prohibition of Insider Trading) Regulations, 2015 as applicable from December 2015;
 - c. The Securities and Exchange Board of India (Share Benefits) Regulations, 2014
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. The Company has complied with the requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (erstwhile Equity Listing Agreements entered into with Bombay Stock Exchange Limited and National Stock Exchange of India Limited).

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited {i.e. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 etc mentioned above.

2. We further report that the Company has, in our opinion, complied with the provisions of the Companies Act, 2013 and the Rules made under that Act and the Memorandum and Articles of Association of the Company, with regard to:

| Description | Observation |
|---|---|
| Maintenance of various statutory registers and documents and making necessary entries therein | The Company has maintained statutory registers as required under the Act and all the entries have been properly recorded. |
| Closure of the Register of Members | The Register of Member was closed at the time of Annual General Meeting. |
| Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government | The company has duly filed forms, returns with the Registrar of Companies, Delhi and wherever there is delay the Company has paid the additional fee. |
| Service of documents by the Company on its Members, Auditors and the Registrar of Companies | Duly served |
| Notice of Board meetings and Committee meetings of Directors | Duly sent |
| The meetings of Directors and Committees of Directors including passing of resolutions by circulation | Duly convened |
| The 30 th Annual General Meeting held on 30 th September 2015 | Duly convened |
| Minutes of proceedings of General Meetings and of the Board and its Committee meetings | Duly entered and signed |
| Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required | Duly obtained |
| Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors | Duly constituted, with proper balance of Executive, Non Executive and Independent Directors. |
| Payment of remuneration to Directors including the Managing Director and Whole-time Directors | Duly made in accordance with the approval of shareholders and Central Government. |
| Appointment and remuneration of Auditors and Cost Auditors; | Duly made as per applicable provisions. |
| Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares | Duly made within prescribed time period. |
| Declaration and payment of dividends | Dividend of 5% i.e. 5 paise per share of ₹1/- was declared and paid during the year under review. |
| Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs | Not required |

| | |
|---|--------------------|
| Borrowings and registration, modification and satisfaction of charges wherever applicable | Duly complied |
| Investment of the Company's funds including investments and loans to others | Duly complied |
| Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act | Duly complied |
| Directors' report | Duly complied |
| Contracts, common seal, registered office and publication of name of the Company; and | Duly complied |
| Generally, all other applicable provisions of the Act and the Rules made under the Act. | Duly complied with |

3. We further report that:

- i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- iv) The Company has obtained all necessary approvals under the various provisions of the Act; and
- v) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers. **However, on an application dated 11-5-2015 made by the Company for consent in respect of for delay in listing of bonus shares, SEBI has imposed fine of ₹2,00,000/- for which the Company has given consent to pay the same vide its letter dated 03-05-2016. Final orders in this respect are yet to come.**
- vi) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

5. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

7. I further report that:

- a. the Company has complied with the requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (erstwhile Equity Listing Agreements entered into with The Bombay Stock Exchange Limited and National Stock Exchange of India Limited)
- b. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares

and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

- c. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

I further report that

- a) There are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- b) Complied with the following laws specifically applicable to the Company:
- Factories Act, 1948
 - Pollution laws including Environment Protection Act and rules made thereunder.
 - Labour laws
 - The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted an internal complaints system.

c) The following are other observations

There is mismatch in holding of number of securities held prior to disposal of Mr. Vikas Garg, promoter while reporting in continual disclosures as per Regulations 7 (2) of SEBI (Prohibition of Insider Trading) Regulations, 2015. As per the explanation given by management, rectification of error is in process with their Registrar and Share Agent Alankit Assignment Ltd.

d) Legal cases

As per the information available, following is the status of legal cases pending in various Courts

| Sr. No. | Name of case | Court | Amount involved (₹.in lac) | Status |
|---------|--|---------------------|----------------------------|---|
| 1 | Vikas Globalone Ltd. Vs. ADM Agro Industries Kota and Akola Ltd. | High Court of Delhi | 99.62 | Case for recovery due to poor supply of Soya bean oil and suffering of losses by the Company which is pending disposal. |
| 2 | ADM Agro Industries Kota and Akola Ltd. Vs. Vikas GlobalOne Ltd. | High Court of Delhi | 41.15 | For winding up of the Company and also filed another summary suit for recovery of debt which is pending adjudication. |

For **AAA AND ASSOCIATES**
Company Secretaries

Place : Delhi

Date : 02-08-2016

A.K. Popli
Partner
C.P. No. 2544
FCS: 3387

CORPORATE GOVERNANCE REPORT

SEBI vide its notification No. SEBI/LAD-NRO/GN/2015-16/013 dated 2 September 2015 notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'SEBI Listing Regulations, 2015'), which were made applicable with effect from 1st December 2015 and repealed the erstwhile listing agreement with the stock exchanges.

This Report, therefore, states the compliance status as per requirements of Companies Act, 2013 and SEBI Listing Regulations, 2015. Given below are the Company's corporate governance policies and practices for 2015-16. As will be seen, Vikas EcoTech's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws, including SEBI Listing Regulations, 2015.

In terms of Regulation 34(3) read with Section C of SCHEDULE V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the year ended March 31, 2016 is presented below:

1) A BRIEF STATEMENT ON THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

This simple philosophy underlines our approach to Corporate Governance. So, if profit is our intention, how we achieve this profit is a part of our Corporate Governance. For us, Corporate Governance goes beyond philanthropy and compliance but actually deals with how we manage our triple bottom lines – economic, social and environmental impacts. It monitors our role as well as the quality of our relationships in key spheres of influence including the workplace, the market place, the supply chain, the community and the public policy realm. As a Company, we distinguish ourselves in the market by offering a portfolio of ecologically responsible electrical products and service that deliver powerful, sustainable and energy efficient solutions that do not compromise on capacity or security. Our eco-friendly approach is evident in our efforts to develop an alternate energy strategy so as to reduce the environmental impact of our business. We are equally committed to managing a responsible supply chain in a manner that is consistent and compliant with our high standards for environment and business practices. We recognize that there are barriers that 'constrain innovation, both in individuals and communities and we work to overcome them.' We build communities and promote the exchange of ideas through assistive technologies; participative programs and standardization that transforms the way people experience our products. Our energy efficient solutions enable people to save money and protect their capital investment while also lowering their energy usage and protecting the environment. This contributes to our CSR responsibility of sustenance of depleting environmental resources.

Corporate Governance and Ethics

As a Company we have always worked on the side of ethics and have shunned expediency in any form. We believe that if something is important enough to be done, it is important that we do it ethically. We supplement our traditionally held values of ethical behaviour and moral conduct with explicit rules and regulations that guide our efforts in financial, propriety, customer care and business excellence. We uphold the policy of "Leadership with trust" that has come to play a vital role in how our customers perceive us. This is important, given the climate of unparalleled public distrust of people in positions of power and authority in contemporary business and politics.

2) BOARD OF DIRECTORS

The Board of Directors has an optimum combination of Executive and Non-Executive Directors with one woman director and more than fifty per cent of the Board of Directors comprised of Non-Executive Directors. The Chairperson of the Board is a Non-Executive Director and more than half of the board of directors is comprised of Independent Directors. The Board meets at least four times a year and more often if Company needs merit additional oversight and guidance. During the financial year 2015-16, the time gap between any two Board Meetings did not exceed one hundred and twenty days. The Board of Directors periodically reviews compliance reports pertaining to all laws applicable to the Company. All statutory and other matters of significance including information as mentioned in Part A of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are tabled before the Board to enable it to discharge its responsibility of strategic supervision of the Company.

a) Composition of the Board and attendance record of directors for 2015-16

| Sr. No | Name of Directors | Category | Designation | No. of Board Meetings Attended | Whether attended last AGM | No. of Shares held |
|--------|------------------------------|---------------|---------------------------------------|--------------------------------|---------------------------|--------------------|
| 1 | Shri. Vikas Garg | Promoters | Managing Director | 4 | - | 5,03,62,250 |
| 2 | Shri. Vivek Garg | | Executive Whole-time Director | 4 | YES | 10,71,550 |
| 3 | Shri. Ashutosh Kumar Verma | Non-Promoters | Executive Whole-time Director and CEO | 4 | YES | 75,000 |
| 4 | Shri. Manoj Singhal | | Independent Director | 3 | - | NIL |
| 5 | Shri. Pradip Kumar Banerji | | Independent Director | 3 | - | 1,87,500 |
| 6 | Shri. Sumer Chand Tayal | | Independent Director | 3 | YES | 61,150 |
| 7 | Shri. Jagdish Capoor | | Independent Director | 2 | - | 1,87,500 |
| 8 | Shri. Purushottam Dass Bhoot | | Chairman & Independent Director | 4 | - | 40,000 |
| 9 | Smt. Vibha Mahajan | | Independent Director | 1 | - | NIL |

b) Number of other Board of Directors or Committees in which a Directors is a Member or Chairperson

| Sr. No. | Name of Directors | Directorships in other Board of Directors | Memberships of Committees of Other Boards** | Chairmanships of Committees of Other Boards |
|---------|------------------------------|---|---|---|
| 1 | Shri. Vikas Garg | 3 | 1 | NIL |
| 2 | Shri. Vivek Garg | 7 | NIL | NIL |
| 3 | Shri. Ashutosh Kumar Verma | 0 | NIL | NIL |
| 4 | Shri. Manoj Singhal | 12 | NIL | NIL |
| 5 | Shri. Pradip Kumar Banerji | 1 | 3 | NIL |
| 6 | Shri. Sumer Chand Tayal | 1 | NIL | NIL |
| 7 | Shri. Jagdish Capoor | 11 | 11 | 7 |
| 8 | Shri. Purushottam Dass Bhoot | 1 | NIL | NIL |
| 9 | Smt. Vibha Mahajan | 1 | NIL | NIL |

c) Number of Meeting of the Board

During the financial year 2015-16, the Board of Directors met 4 times, viz. 30th May, 2015, 12th August 2015, 26th October, 2015 and 04th February, 2016. The gap between any two meetings has been less than one hundred and twenty days.

d) Disclosure of relationships between Directors inter-se:

Shri Vikas Garg, Managing Director and Shri Vivek Garg, Whole-time Director are brothers.

e) Web link where details of familiarization programmes imparted to Independent Directors is disclosed:

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the

industry in which the Company operates, business model of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plant, Product Category and Corporate Function from time to time. Detailed agenda are sent well in advance to all the Directors in order for the Board to perform its function and fulfil its role effectively.

The details regarding Independent Directors' Familiarisation Programmes are given under the 'Codes & Policies' in the 'Corporate Governance' section on the website of the Company and can be accessed at <http://vikasecotech.com/announcement/Familiarisation%20Programme%20for%20Independent%20Directors.pdf>

3) AUDIT COMMITTEE

a) Brief description of terms of reference:

The terms of reference of the Audit Committee are as per the governing provisions of the Companies Act, 2013 (section 177) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part C of Schedule II).

The role of the Audit Committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Monitoring the end use of funds raised through public offers and related matters.
21. Carrying out any other function incidental or ancillary thereto.

b) Composition, Name of Members and Chairperson:

The Audit Committee comprises 3 (Three) Non-Executive Directors as members. All members are financially literate and possess sound knowledge of accounts, finance and audit matters. The Company Secretary of the Company acts as Secretary to the Audit Committee. The Statutory Auditors and Internal Auditors of the Company attend the Meetings of the Audit Committee on invitation of the Chairman of the Committee. The Composition of Audit Committee as on 31st March, 2016, is given below:

| Name of Member | Category | Designation | Meetings Held | Meeting Attended |
|------------------------------|------------------------------------|-------------|---------------|------------------|
| Shri. Sumer Chand Tayal | Non-Executive Independent Director | Chairman | 1 | 1 |
| Shri. Manoj Singhal | Non-Executive Independent Director | Member | 1 | 1 |
| Shri. Purushottam Dass Bhoot | Non-Executive Independent Director | Member | 1 | 1 |

4) NOMINATION AND REMUNERATION COMMITTEE

a) Brief description of terms of reference:

The Nomination and Remuneration Committee determines on behalf of the Board and on behalf of the Shareholders, the Company's policy governing remuneration payable to the Whole time Directors as well as the nomination and appointment of Directors. The terms of reference of the Nomination and Remuneration Committee are as per the governing provisions of the Companies Act, 2013 (section 178) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b) Composition, Name of Members and Chairperson:

The Nomination and Remuneration Committee comprises 3 (Three) Non-Executive Directors, the Chairman being Non-Executive and Independent. The Company Secretary of the Company acts as Secretary to the Nomination and Remuneration Committee. The Composition of Nomination and Remuneration Committee as on 31st March, 2016, is given below:

| Name of Member | Category | Designation | Meetings Held | Meeting Attended |
|------------------------------|------------------------------------|-------------|---------------|------------------|
| Shri. Sumer Chand Tayal | Non-Executive Independent Director | Chairman | 4 | 3 |
| Shri. Manoj Singhal | Non-Executive Independent Director | Member | 4 | 3 |
| Shri. Purushottam Dass Bhoot | Non-Executive Independent Director | Member | 4 | 4 |

c) Performance evaluation criteria for Independent Directors:

The Nomination and Remuneration Committee of the Board, laid out the evaluation criteria for performance evaluation of the Board, its Committees and all the individual directors, in adherence of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance evaluation for the financial year was carried out in accordance with the criteria laid out by the Nomination and Remuneration Committee and approved by the Board. The evaluation of all directors (including Independent Directors) was done by the entire Board of Directors (excluding the Director being evaluated).

5) REMUNERATION OF DIRECTORS**a) All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:**

None, except for the Sitting Fee to Independent Directors

b) Criteria of making payments to Non-Executive Directors:

The Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees; regulated by the Nomination and Remuneration Committee of the Board. The Policy is also available on the website of the Company www.vikasecotech.com in the 'Company Policies' section in 'Corporate Governance'. The Non-Executive Directors, except for promoter directors, are entitled to sitting fees for attending Meetings of the Board. The remuneration to the Managing Director(s) and Whole-time Director(s) is paid on the scale determined by the Nomination and Remuneration Committee within the limits approved by the Shareholders at the General Meeting.

c) Disclosures with respect to Remuneration:

i) Details of remuneration/ sitting fees paid to Directors during the financial year 2015-16 is given below:

(amount in ₹)

| Sr. No | Name of Director | Service Term | No. of shares held | Sitting fee | Salary | Perks | Commission | Total |
|--------|------------------------------|-----------------------|--------------------|-------------|-----------|----------|------------|-----------|
| 1 | Shri. Vikas Garg | 30.09.2011-30.09.2016 | 5,03,62,250 | NIL | 3,60,000 | 2,40,000 | | 6,00,000 |
| 2 | Shri. Vivek Garg | | 10,71,550 | NIL | NIL | | | NIL |
| 3 | Shri. Ashutosh Kumar Verma | 14.02.2015-14.02.2018 | 75,000 | NIL | 16,80,000 | | | 16,80,000 |
| 4 | Shri. Manoj Singhal | 01.03.2015-29.02.2020 | NIL | NIL | | | | NIL |
| 5 | Shri. Pradip Kumar Banerji | 01.03.2015-29.02.2020 | 1,87,500 | 63,000 | | | | 63,000 |
| 6 | Shri. Sumer Chand Tayal | 01.03.2015-29.02.2020 | 61,150 | 60,000 | | | | 60,000 |
| 7 | Shri. Jagdish Capoor | 01.03.2015-29.02.2020 | 1,87,500 | 40,000 | | | | 40,000 |
| 8 | Shri. Purushottam Dass Bhoot | 01.03.2015-29.02.2020 | 40,000 | 60,000 | | | | 60,000 |
| 9 | Smt. Vibha Mahajan | | NIL | NIL | | | | NIL |

ii) Service contracts, notice period, severance fees:

The appointment of the Executive Directors is governed by Resolutions passed by the Shareholders of the Company, which cover the terms and conditions of such appointment, read with the service rules of the Company. A separate Service Contract is not entered into by the Company with Executive Directors. No notice period or severance fee is payable to any Director.

6) STAKEHOLDER RELATIONSHIP COMMITTEE

The terms of reference and the ambit of powers of Stakeholders Relationship Committee are as per the governing provisions of the Companies Act, 2013 (section 178) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II). The status of member correspondences, queries, grievances etc. are endeavoured to be addressed instantaneously by the secretarial department and status thereof is also placed before the Stakeholders Relationship/ Grievance Redressal Committee.

a) Name of Non-Executive Director heading the Committee:

Shri. Sumer Chand Tayal, Non-Executive Independent Director was appointed as the Chairman of the Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises 3 (Three) members of which, One is Non-Executive Director, the Chairman being Non-Executive and Independent. The Company Secretary of the Company acts as Secretary to the Stakeholders Relationship Committee. The Composition of Stakeholders Relationship Committee as on 31st March, 2016, is given below:

| Name of Member | Designation | Meetings Held | Meeting Attended |
|-------------------|-------------|---------------|------------------|
| Sumer Chand Tayal | Chairman | 1 | 1 |
| Vikas Garg | Member | 1 | 1 |
| Vivek Garg | Member | 1 | 1 |

b) Name and designation of Compliance Officer:

Mr. Siddharth Agrawal Company Secretary is the Compliance Officer of the Company.

c) Number of shareholders' complaints received so far:

The number of shareholder grievances received and resolved during financial year 2015-16 is given below:

| Nature of Grievance | Received | Resolved | Max. period of Reply (in days) |
|--------------------------|-----------|-----------|--------------------------------|
| Non-receipt of dividend | 3 | 3 | 10 |
| Annual Report | 6 | 6 | 10 |
| Revalidation of Dividend | 1 | 1 | 10 |
| Total | 10 | 10 | |

d) Number not solved to the satisfaction of shareholders:

None, all complaints were resolved to the satisfaction of shareholders.

e) Number of pending complaints:

As at March 31, 2016, no complaint was pending unresolved.

Besides the above, the Board of Directors has CSR Committee, an Executive Committee, Compensation Committee, Equity Warrant Committee. In respect of these Committees brief details of the role, terms of reference, composition and no. of meetings held etc. are given below:

7) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee was formed pursuant to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act, to recommend the amount of expenditure to be incurred on such activities and to monitor the Corporate Social Responsibility Policy of the Company from time to time. The Corporate Social Responsibility Policy of the Company is available on the website of the Company under 'Company Policies' in the 'Corporate Governance' section.

The details of the Corporate Social Responsibility Policy of the Company have also been disclosed in the Directors' Report section of the Annual Report. The Corporate Social Responsibility Committee comprises 3 (Three) members of which 2 (Two) are Non-Executive and Independent, the Chairman being Non-Executive and Independent. The Company Secretary of the Company acts as Secretary to the Corporate Social Responsibility Committee. The Composition of Corporate Social Responsibility Committee as on March 31, 2016, is given below:

| Name of Member | Designation | Meetings Held | Meeting Attended |
|------------------------|-------------|---------------|------------------|
| Purushottam Dass Bhoot | Chairman | 1 | 1 |
| Sumer Chand Tayal | Member | 1 | 1 |
| Vikas Garg | Member | 1 | 1 |

During the financial year 2015-16, the Corporate Social Responsibility Committee met once on December 21, 2015 and the Meeting was attended by all the Members of the Committee.

8) EXECUTIVE COMMITTEE

The role of the Executive Committee is to expeditiously decide business matters of routine nature and implementation of strategic decisions of the Board. The Committee functions within the approved framework and directions of the Board. The Committee also performs other activities as per the terms of reference of the Board. The Committee comprises 3 (Three) Executive Directors. The Company Secretary of the Company acts as Secretary to the Executive Committee. The Composition of Executive Committee as on March 31, 2016, is given below:

| Name of Member | Designation | Meetings Held | Meeting Attended |
|----------------------|-------------|---------------|------------------|
| Vikas Garg | Chairman | 13 | 13 |
| Vivek Garg | Member | 13 | 12 |
| Ashutosh Kumar Verma | Member | 13 | 13 |

During the financial year 2015-16, the Executive Committee met thirteen times.

9) COMPENSATION COMMITTEE

The role of the Compensation Committee is to expeditiously administrate ESOP's granted to various employees of the Company. The Committee comprises 3 (Three) Directors. The Company Secretary of the Company acts as Secretary to the Committee. The Composition of Compensation Committee as on March 31, 2016, is given below:

| Name of Member | Designation | Meetings Held | Meeting Attended |
|-------------------|-------------|---------------|------------------|
| Manoj Singhal | Chairman | 2 | 2 |
| Sumer Chand Tayal | Member | 2 | 2 |
| Vikas Garg | Member | 2 | 2 |

During the financial year 2015-16, the Compensation Committee met twice on December 21, 2015 and February 4, 2016 and the Meeting was attended by all the Members of the Committee.

10) EQUITY WARRANT COMMITTEE

The Equity Warrant Committee is 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. The Composition of Equity Warrant Committee as on March 31, 2016, is given below:

| Name of Member | Designation | Meetings Held | Meeting Attended |
|---------------------|-------------|---------------|------------------|
| Narender Kumar Garg | Chairman | NIL | NIL |
| Sumer Chand Tayal | Member | NIL | NIL |
| Vikas Garg | Member | NIL | NIL |

11) SUBSIDIARY COMPANIES MONITORING FRAMEWORK

The Company does not have any subsidiary as on 31st March, 2016

12) GENERAL BODY MEETINGS

a) Location and time, where last three Annual General Meetings held:

| Financial year Date | Time | Venue | Special Resolution Passed |
|----------------------------------|------------|--|---|
| Friday, September 27, 2013 | 11:30 A.M. | Haryana Maitri Bhawan, Pitampura, New Delhi | NONE |
| Monday, September 29, 2014 | 11:30 A.M. | Haryana Maitri Bhawan, Pitampura, New Delhi | NONE |
| Saturday, November 1, 2014 | 11.30 A.M. | Haryana Maitri Bhawan, Pitampura, New Delhi | 1. Alteration of MOA and AOA as per New Companies Act, 2013 2. Increase in Authorised Share Capital. 3. Issue of Bonus Shares |
| Wednesday, September 30, 2015 | 11.30 A.M. | Haryana Maitri Bhawan, Pitampura, New Delhi | 1. Increase of Borrowing Powers of Board 2. To make investment in Foreign Company. 3. Change of Name of Company from Vikas GlobalOne Limited to Vikas EcoTech Limited. 4. Appointment of Whole-time-Director of the Company. |

No Postal Ballot was conducted during the year under review.

13) MEANS OF COMMUNICATION**a) Quarterly Results:**

The Company publishes limited reviewed un-audited standalone financial results on a quarterly basis. In respect of the fourth quarter, the Company publishes the audited financial results for the complete financial year.

b) Newspapers wherein results normally published:

The quarterly/ half-yearly/ annual financial results are published in 'Financial Chronicle' and 'Awam-E-Hind'.

c) Website, where Displayed:

The financial results and the official news releases are also placed on the Company's website www.vikasecotech.com in the 'Investors' section.

d) Official news releases:

Yes, the Company regularly publishes an information update on its financial results and also displays official news releases in the 'Investors' section under relevant sections.

14) GENERAL SHAREHOLDER INFORMATION**a) Annual General Meeting**

(Day, Date, Time and Venue)

Friday, September 30, 2016 at 11.30 a.m at Haryana Maitri Bhawan, Pitampura, New Delhi- 110027

b) Financial Year

The Financial Year of the Company starts from 1st April of a year and ends on 31st March of the following year.

c) Dividend Payment Date

The Board of Directors of your Company has recommended a dividend of 0.05 paisa per equity share of ₹1/- each for the financial year 2015-16. Date of payment of dividend would be within 30 days from October 1, 2016.

d) Name and address of each Stock Exchange(s) at which the Company securities are listed and a confirmation about payment of annual listing fee to each of such Stock Exchange(s):**The Equity shares of the Company listed at:**

BSE Limited

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400007

Scrip Code- 530961

National Stock Exchange of India Limited (NSE)

“Exchange Plaza”, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051

Trading Symbol – VIKASECO

The listing fees for the financial year 2016-17 have been paid by the Company within the stipulated time.

e) Stock Code

| NSE | BSE | ISIN |
|----------|--------|--------------------|
| VIKASECO | 530961 | ISIN: INE806A01020 |

f) Stock Market Price Data - high, low during each month in last financial year:

Price details monthly High-Low as compared with broad based BSE Index

| Month | Open | High | Low | Close | No. of Shares | No. of Trades | Total Turnover | Deliverable Quantity | % Deli. Qty to Traded Qty | * Spread | |
|--------|-------|-------|-------|-------|---------------|---------------|----------------|----------------------|---------------------------|----------|-------|
| | | | | | | | | | | H-L | C-O |
| Apr 15 | 6.27 | 7.34 | 6.15 | 6.37 | 9,13,564 | 1,201 | 59,01,628 | 8,49,087 | 92.94 | 1.19 | 0.10 |
| May 15 | 6.58 | 7.04 | 5.76 | 6.50 | 9,57,510 | 753 | 61,71,436 | 8,29,883 | 86.67 | 1.28 | -0.08 |
| Jun 15 | 6.36 | 6.70 | 6.20 | 6.35 | 8,82,370 | 550 | 56,81,673 | 8,17,522 | 92.65 | 0.50 | -0.01 |
| Jul 15 | 6.40 | 11.45 | 6.35 | 10.80 | 13,14,176 | 4,400 | 1,17,80,176 | 8,89,608 | 67.69 | 5.10 | 4.40 |
| Aug 15 | 10.76 | 16.78 | 10.52 | 13.59 | 32,11,280 | 12,677 | 4,26,63,689 | 16,29,564 | 50.74 | 6.26 | 2.83 |
| Sep 15 | 13.64 | 18.28 | 13.00 | 17.19 | 24,87,207 | 10,603 | 3,77,16,305 | 12,27,135 | 49.34 | 5.28 | 3.55 |
| Oct 15 | 17.65 | 23.90 | 16.50 | 17.70 | 82,75,145 | 15,797 | 17,10,41,917 | 38,79,359 | 46.88 | 7.40 | 0.05 |
| Nov 15 | 17.50 | 18.90 | 14.70 | 15.60 | 24,95,403 | 7,846 | 4,17,52,564 | 8,50,521 | 34.08 | 4.20 | -1.90 |
| Dec 15 | 15.65 | 21.10 | 13.65 | 20.00 | 36,93,286 | 11,396 | 6,56,88,805 | 20,74,048 | 56.16 | 7.45 | 4.35 |
| Jan 16 | 20.35 | 21.95 | 16.65 | 19.85 | 57,44,477 | 15,706 | 11,12,03,091 | 25,97,434 | 45.22 | 5.30 | -0.50 |
| Feb 16 | 20.35 | 22.90 | 11.55 | 13.10 | 1,67,77,158 | 26,104 | 29,24,46,505 | 62,62,109 | 37.33 | 11.35 | -7.25 |
| Mar 16 | 13.02 | 16.07 | 13.00 | 15.72 | 1,08,60,445 | 8,064 | 15,92,05,714 | 51,83,409 | 47.73 | 3.07 | 2.70 |

Performance in comparison to broad based indices

| Month | NSE | | | | | Volume |
|----------------|-------|------------|-----------|-------|-------------|--------|
| | Open | High Price | Low Price | Close | | |
| April 2015 | 6.20 | 7.60 | 6.15 | 6.45 | 37,47,784 | |
| May 2015 | 6.70 | 7.40 | 6.15 | 6.45 | 35,84,283 | |
| June 2015 | 6.40 | 6.95 | 6.20 | 6.30 | 22,11,171 | |
| July 2015 | 6.40 | 11.50 | 6.35 | 10.85 | 76,32,189 | |
| August 2015 | 11.00 | 16.80 | 10.50 | 13.60 | 2,20,40,195 | |
| September 2015 | 13.50 | 18.20 | 12.70 | 17.25 | 1,41,84,689 | |
| October 2015 | 17.50 | 23.95 | 16.55 | 17.65 | 2,30,53,582 | |
| November 2015 | 17.95 | 18.85 | 14.60 | 15.75 | 1,32,65,378 | |
| December 2015 | 15.80 | 21.00 | 13.55 | 20.05 | 1,48,19,886 | |
| January 2016 | 20.00 | 24.00 | 16.70 | 19.80 | 1,91,91,320 | |
| February 2016 | 19.95 | 25.40 | 11.50 | 13.10 | 6,17,58,732 | |
| March 2016 | 13.10 | 15.85 | 13.05 | 15.50 | 5,08,22,686 | |

g) **In case the securities are suspended from trading, the Directors Report shall explain the reason thereof:** Not Applicable

h) Registrar to an Issue and Share Transfer Agents:

Alankit Assignments Limited
 4E/2, Jhandewalan Extension, New Delhi-110055
 Tel. No. 011-42541234, 23541234
 Email; info@alankit.com, rta@alankit.com
 Website: www.alankit.com

i) Share Transfer System

Trading in equity shares of the Company through recognized Stock Exchanges can be done only in dematerialized form. In case of shares held in physical form, the transferred share certificates duly endorsed are despatched within 15 days from the date of receipt of documents, provided documents are valid and complete in all respects. In compliance of the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the share transfer system of the Company is audited every six months by a Practicing Company Secretary and a certificate to that effect is issued by him/her. In case of request for dematerialization of shares, confirmation of dematerialization is sent to the respective depository i.e. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL), expeditiously.

j) Distribution of Shareholding as on March 31, 2016

| Category of Share | Number of shareholders | Total Number of Shares | Percentage | Category | Holders | Shares | % of Total Shares |
|--|------------------------|------------------------|------------|-----------------|-------------|---------------------|-------------------|
| Shareholding of Promoter and Promoter Group | 15 | 11,69,65,446 | 46 | Upto 5,000 | 3080 | 29,83,259 | 1.173 |
| Body Corporate | 310 | 7,55,21,826 | 29.71 | 5001-10,000 | 200 | 15,66,201 | 0.616 |
| FII | 5 | 5,09,178 | 0.20 | 10,001-20,000 | 177 | 25,60,355 | 1.007 |
| Shareholders holding share capital in excess of ₹2 Lakhs | 53 | 4,14,08,897 | 16.29 | 20,001-30,000 | 78 | 19,75,139 | 0.777 |
| Others | 3,466 | 1,98,34,328 | 7.80 | 30,001-40,000 | 31 | 11,09,226 | 0.436 |
| | | | | 40,001-50,000 | 28 | 13,26,583 | 0.522 |
| | | | | 50,001-1,00,000 | 70 | 52,81,737 | 2.077 |
| | | | | Above 1,00,000 | 188 | 23,74,37,175 | 93.391 |
| TOTAL | 3,849 | 25,42,39,675 | 100 | TOTAL | 3849 | 25,42,39,675 | 100 |

k) Dematerialisation of Shares and Liquidity

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As at 31st March, 2016, 25,14,55,288 Equity shares out of 25,42,39,675 Equity Shares of the Company, forming 98.90% of the Company's paid-up capital is held in the dematerialized form. Majority of demat shares are with National Securities Depository Limited. The status of shares held in demat and physical format is given below. The Company's shares are liquid and actively traded on the NSE and BSE.

| Particulars | As on March 31, 2016 | | As on March 31, 2015 | |
|----------------------|----------------------|------------|----------------------|------------|
| | Number of Shares | Percentage | Number of Shares | Percentage |
| Shares in Demat form | 25,14,55,288 | 98.90 | 25,01,64,388 | 98.40 |
| NSDL | 21,19,22,244 | 83.35 | 21,06,23,457 | 82.85 |
| CDSL | 3,95,33,044 | 15.55 | 3,95,40,931 | 15.55 |
| Physical | 27,84,387 | 01.10 | 40,75,287 | 01.60 |

l) Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity:

There are no GDRs/ADRs/Warrants outstanding as on 31st March, 2016.

Address for Correspondence

Vikas EcoTech Limited
 Vikas Apartments 34/1, East Punjabi Bagh, New Delhi-110026
 PH: - +91-11-43144444
 E-MAIL: investors@vikasecotech.com

Plant Location**Branch Code: 1**

IGC, PHASE-I, SIDCO SAMBA JAMMU & KASHMIR PIN-184121

Branch Code: 2

G-24-30, VIGYAN NAGAR, SHAHJAHAN PUR, ALWAR, RAJASTHAN PIN-301706

Branch Code: 3

F-7 & 8, VIGYAN NAGAR, SHAHJAHAN PUR, ALWAR, RAJASTHAN PIN-301706

15) OTHER DISCLOSURES

a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company:

During the financial year 2015-16, there was no materially significant related party transaction that may have potential conflict with the interests of the Company at large. For reference, the details of related party transactions in accordance with AS-18 are given in Note No.42. Notes on Accounts of the Annual Report.

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

During the period under review, SEBI had imposed an amount of ₹2,00,000/- as penalty in connection with the delay in issue of Bonus shares.

c) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:

The Company has adopted a Whistle Blower Policy which means alert/vigilant empowering any person associated with the organization to file a grievance if he/she notices any irregularity. No person has been denied access to the Audit Committee for any grievance.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e) Web link where policy for determining 'material' subsidiaries is disclosed:

During the period under review, the Company did not have any material Subsidiary.

f) Web link where policy on dealing with related party transactions is disclosed:

The policy on dealing with related party transactions is available on the website of the Company under 'Corporate Governance' in the 'Investors' section and can be accessed at <http://vikasecotech.com/investors-corporate-governance.aspx>

16) DISCLOSURE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED.

- a) The Board
- b) Shareholder Rights: Quarterly financial statements are published in leading newspapers and uploaded on Company's website www.vikasecotech.com.
- c) Modified opinion(s) in audit report: The Auditors have raised no qualification on the financial statements.
- d) Separate posts of Chairperson and CEO: Presently, Shri Vikas Garg is Managing Director of the Company and Mr. Ashutosh Kumar Verma is CEO of the Company.
- e) Reporting of Internal Auditor: The Company has appointed Amit Pandey & Associates as the Internal Auditors for conducting the internal audit, representatives whereof report to the CFO and has direct access to the Audit Committee.

17) DISCLOSURE OF COMPLIANCE OF REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB REGULATION (2) OF REGULATION 46

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

18) DECLARATION SIGNED BY THE CHIEF EXECUTIVE OFFICER STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT.

The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and with the highest standards of business ethics. VEL's Code of Ethics is intended to provide guidance and help in recognizing and dealing with ethical issues, mechanisms to report unethical conduct, and to help foster a culture of honesty and accountability. The Board has adopted a Code of Conduct for Directors, Senior Management and other Employees of the Company. The Code is available on the website of the Company under 'Code of Conduct' in the 'Corporate Governance' section.

19) COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:

The Certificate from the Statutory Auditors of the Company regarding compliance of conditions of corporate governance is annexed with the Directors' Report and forms an integral part of the Annual Report.

20) DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

OTHER USEFUL INFORMATION FOR SHAREHOLDERS**ECS Facility:**

The Company provides facility of "Electronic Clearing Service" (ECS) for payment of dividend to its shareholders. ECS facility assists in quick remittance of dividend without possible loss/delay in postal transit. Shareholders holding shares in physical form are requested to provide details of their bank account for availing ECS facility. However, if the shares are held in dematerialized form, the ECS mandate has to be communicated to the respective Depository Participant (DP). Changes, if any, in the details furnished earlier may also be communicated to the Company or DP, as the case may be.

Update E-mails for receiving notice/ documents in e-mode:

The Ministry of Corporate Affairs (MCA) has through its circulars issued in 2011, allowed service of documents by companies including Notice calling General Meeting(s), Annual Report etc. to their shareholders through electronic mode. This green initiative was taken by MCA to reduce paper consumption and contribute towards a green environment. As a responsible corporate citizen, your Company fully supports the MCA's endeavour.

In accordance of the same, your Company had proposed to send Notice calling General Meetings, Annual Report and other documents in electronic mode in future to all the shareholders on their email addresses. It was also requested to inform the Company in case the shareholders wish to receive the above documents in physical form. Accordingly, the Annual Report along with Notice will be sent to the shareholders in electronic mode at their email addresses.

The shareholders who have not registered their email addresses with the Company are requested to kindly register their e-mail addresses with the Company in the Form annexed with the Notice of Annual General Meeting enabling the Company to better service shareholder correspondence through e-mode. The shareholders have also an option to register their email addresses with their Depository through Depository Participant.

Dematerialization of Shares:

Equity Shares of the Company are under compulsory demat trading segment. Considering the advantages of scrip less trading, members are advised to consider dematerialization of their shareholding so as to avoid inconvenience involved in the physical shares such as mutilation, possibility of loss/ misplacement, delay in transit etc. and also to ensure safe and speedy transaction in securities.

Transfer / Transmission / Transposition of Shares:

The Securities and Exchange Board of India (SEBI), vide its Circular No. MRD/DoP/Cir-05/2009 dated May 20, 2009 and Circular No. MRD/DoP/SE/RTA/Cir-03/2010 dated January 7, 2010 made it mandatory that a copy of the PAN Card is to be furnished to the Company in the following cases:

- ▶ registration of physical transfer of shares;
- ▶ deletion of name of deceased shareholder(s) where shares are held jointly in the name of two or more shareholders;
- ▶ transmission of shares to the legal heirs where shares are held solely in the name of deceased shareholder; and
- ▶ transposition of shares where order of names of shareholders are to be changed in the physical shares held jointly by two or more shareholders.

CEO'S/CFO'S CERTIFICATE

We, Ashutosh Kumar Verma, Whole-time Director and CEO and Pankaj Kumar Gupta, CFO of Vikas EcoTech Limited, to the best of our knowledge and belief, certify that:

- a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements, that might be misleading;
 - ii. 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.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed, to the auditors and the Audit Committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee, wherever applicable,
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

New Delhi, August 08, 2016

For Vikas EcoTech Limited
(Ashutosh Kumar Verma)
 Chief Executive officer

For Vikas EcoTech Limited
(Pankaj Kumar Gupta)
 Chief Financial officer

AUDITOR'S CERTIFICATE

To
The Members of Vikas EcoTech Limited

We have examined the compliance of conditions of corporate governance by Vikas EcoTech Limited, for the year ended on 31st March, 2016, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchange(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements 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 the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchange(s).

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

For AAA & ASSOCIATES Company Secretaries

Place of Signature: New Delhi
Date: 08.08.2016

Sd/-

(A.K.Popli)
Partner
C.P. No. 2544

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Vikas Ecotech Limited.
New Delhi

Report on the Financial Statements

1. We have audited the accompanying Financial Statements of M/s Vikas Ecotech Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, 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

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014(as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the Auditor's Report under the provisions of the Act and the Rules made there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting

principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure- A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
10. As required by section 143(3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the financial statements dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. On the basis of written representations received from the directors as on March 31, 2016 and taken on the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act.
 - f. We have also audited the internal financial controls over financial reporting of the Company as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 23rd May 2016 as per Annexure-B expressed an unqualified opinion; and
 - g. in our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer to Note No 32)
 - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise (Refer to Note No 46); and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For R S P H & Associates
Chartered Accountants
FRN - 003013N**

Place: New Delhi
Date: 23.05.2016

**(C A. Tarun Kumar Batra)
Partner
Membership No - 094318**

Annexure –“A” to the Independent Auditor’s report of even date to the members of M/s Vikas Ecotech Limited (“the Company”) on the financial statements for the year ended March 31, 2016

Report on the matters required by the Companies (Auditor’s Report) Order, 2016, issued by the Central Government of India in term of sub-section 11 of section 143 of the Companies Act, 2013.

(i) In respect of Fixed Assets :

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification programme, which in our opinion, is reasonable, looking to the size of the company and the nature of its business. According to the information and explanation given to us by the Management, no material discrepancies were noticed on such verification.
- c) The Title deeds of immovable properties are held in the name of the company.

(ii) In respect of Inventory :

- a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under section 189 of the Act. Accordingly, clauses 3(iii) (a), 3(iii) (b) and 3(iii) (c) of the Order are not applicable to the Company.

(iv) The Company has not given any loans or made any investments or provided any guarantees and security covered under Section 185 and 186 of the Act. Accordingly, the provisions of Clause 3(iv) of the Order are not applicable.

(v) The Company has not accepted any deposits within the meaning of sections 73 to 76 of the Companies Act’ 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act’ 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, Employee’s State Insurance Fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been deposited during the year by the Company with the appropriate authorities but delay in deposit of the same has been observed in some of the cases. Further it has been observed that the company has not deposited the Employees State Insurance Act’ 1948 (ESI) and Provident fund of two of its units i.e of Bawana and Sitarganj Units.

(b) According to the information and explanations given to us, no other undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at March 31, 2016 for a period of more than six months from the date they became payable Except ESI of ₹24,699/- and PF of ₹97,316/- of Sitarganj Unit and ESI of ₹34,149/- and PF of ₹1,34,548/- of Bawana and except as stated hereunder for which appeals are pending :-

| Nature of Statute | Period to which amount relates | Nature of Dues | Amount (in ₹) | Forum where dispute is pending |
|-------------------|--------------------------------|--|---------------|---|
| Income Tax Act | | Income Tax demand | 31,44,000/- | ITAT, Delhi |
| Custom Act | | Custom Duty Demand | 5,33,266/- | Custom Authorities, Rajasthan |
| VAT | | Vat Demand | 88,000/- | VAT Authorities, Jammu |
| VAT | | Vat Demand | 90,67,107/- | Special Commissioner department of trade and taxes, Rajasthan |
| Income Tax Act | Assessment Year 2012-13 | Income Tax Demand | 27,64,140/- | Commissioner of Income Tax Appeal – IX, Delhi |
| Income Tax Act | Assessment Year 2013-14 | Income Tax Demand | 4,02,480/- | Commissioner of Income Tax Appeal – IX, Delhi |
| Income Tax Act* | Assessment Year 2012-13 | Income Tax Demand of Sigma Plastic Industries | 38,53,030/- | Commissioner of Income Tax Appeal – XIV, Delhi |
| Income Tax Act* | Assessment Year 2013-14 | Income Tax Demand of Sigma Plastic Industries | 7,08,640/- | Commissioner of Income Tax Appeal – XIV, Delhi |
| Excise * | | Excise Duty Refund (Sigma Plastic Industries) | 31,24,983/- | CESTET (Delhi) |
| Excise | | Excise Duty Refund | 4,09,226/- | CESTET (DELHI) |

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

(c) According to the information and explanations given to us, there has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise.

- (viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowings to any financial institution or a bank or any dues to debenture-holders during the year.
- (ix) As per information & explanations given by the Company, monies raised by way of Initial Public Offer or further public offer (including debt instruments) and Term Loan have been applied for the purpose for which they were raised.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by the audit.
- (xi) As per information & explanations given to us, the Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable.

- (xiii) In our opinion and according to information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the requisite details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, the provisions of clause 3(xiv) of the order are not applicable.
- (xv) During the year, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: New Delhi
Date: 23.05.2016

For R S P H & Associates
Chartered Accountants
FRN:- 003013N

(CA. Tarun Kumar Batra)
Partner
Membership No: 094318

**Annexure “B” To The Independent Auditor’s Report Of Even Date To The Member of M/s Vikas Ecotech Limited On
The Standalone Financial Statements for the year ended 31st March 2016**

**Independent Auditor’s Report on the Internal Financial Controls under section 143(3)(i) of the Companies Act, 2013
 (“the Act”)**

1. In conjunction with our audit of the standalone financial statements of M/s VIKAS ECOTECH LIMITED (“the Company”) as of and for the year ended March 31, 2016, we have audited the Internal Financial Controls over Financial Reporting (IFCoFR) of the Company as of that date.

Management’s Responsibility for Internal Financial Controls

2. The Company’s Board of Director is responsible for establishing and maintaining internal financial controls based on the Internal Control over Financial Reporting (IFCoFR) criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (IFCoFR) (“the Guidance note”) issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company’s business, including adherence to Company’s policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Company’s Internal Financial Controls over Financial Reporting (IFCoFR) based on our audit. We conducted our audit in accordance with the Standards on Auditing, Issue by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls over Financial Reporting (IFCoFR), and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting (IFCoFR) were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls over Financial Reporting (IFCoFR) and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting (IFCoFR) included obtaining an understanding of Internal Financial Controls over Financial Reporting (IFCoFR), assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s Internal Financial Controls over Financial Reporting (IFCoFR).

Meaning of Internal Financial Controls over Financial Reporting

6. A company’s Internal Financial Control over Financial Reporting (IFCoFR) is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s Internal Financial Control over Financial Reporting (IFCoFR) includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the

transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of Internal Financial Controls over Financial Reporting (IFCoFR), including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls over Financial Reporting (IFCoFR) to future periods are subject to the risk that the Internal Financial Control over Financial Reporting (IFCoFR) may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, adequate Internal Financial Control over Financial Reporting (IFCoFR) and such (IFCoFR) were operating effectively as of 31 March 2016, base on the Internal Financial Control over Financial Reporting (IFCoFR) criteria established by the Company considering the essential components of internal control stated in the guidance note issued by the ICAI.

Place: New Delhi

Date: 23.05.2016

For R S P H & Associates
Chartered Accountants
FRN:- 003013N

(CA. Tarun Kumar Batra)
Partner
Membership No: 094318

Balance Sheet as at March 31, 2016

| | Note No. | As at March 31, 2016 | As at March 31, 2015 |
|--|----------|-----------------------|-----------------------|
| Amount in ₹ | | | |
| EQUITY AND LIABILITIES | | | |
| Shareholder's funds | | | |
| Share capital | 2 | 25,42,39,675 | 25,42,39,675 |
| Reserves and surplus | 3 | 40,81,98,910 | 17,86,59,918 |
| Money received against share warrants | | - | - |
| | | 66,24,38,585 | 43,28,99,593 |
| Share application money pending allotment | | | |
| Non-current liabilities | | | |
| Long-term borrowings | 4 | 9,70,80,604 | 7,48,19,041 |
| Deferred tax liabilities (Net) | 5 | - | 68,562 |
| Other long term liabilities | 6 | 8,75,622 | 16,68,685 |
| Long-term provisions | 7 | - | - |
| | | 9,79,56,226 | 7,65,56,288 |
| Current liabilities | | | |
| Short-term borrowings | 8 | 81,47,20,370 | 58,69,85,296 |
| Trade payables | 9 | 44,89,41,279 | 31,43,71,473 |
| Other current liabilities | 10 | 10,51,47,892 | 2,49,29,267 |
| Short-term provisions | 7 | 14,77,52,520 | 3,68,24,771 |
| | | 1,51,65,62,061 | 96,31,10,807 |
| Total | | 2,27,69,56,872 | 1,47,25,66,688 |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | 11 | 27,90,26,018 | 21,02,06,995 |
| Tangible assets | | | |
| Intangible assets | | | |
| Capital work-in-Progress | | | |
| Intangible assets under development | | | |
| Non-current investments | 12 | 3,86,179 | 3,55,046 |
| Deferred tax assets (net) | 5 | 17,14,757 | - |
| Long-term loans and advances | 13 | 17,85,674 | 34,23,533 |
| Other non-current assets | 14 | - | - |
| | | 28,29,12,628 | 21,39,85,574 |
| Current assets | | | |
| Current investments | | | |
| Inventories | 15 | 37,54,55,547 | 27,89,60,641 |
| Trade receivables | 16 | 1,40,63,62,596 | 74,75,47,944 |
| Cash and cash equivalents | 17 | 4,39,87,768 | 6,58,37,193 |
| Short-term loans and advances | 13 | 16,73,37,787 | 16,38,79,374 |
| Other current assets | 18 | 9,00,546 | 23,55,962 |
| | | 1,99,40,44,244 | 1,25,85,81,114 |
| Total | | 2,27,69,56,872 | 1,47,25,66,688 |

NOTES TO ACCOUNTS: forming part of Financial Statement 1 – 55

As per our report of even date attached

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

For R S P H AND ASSOCIATES

For and on behalf of the Board of Directors

Chartered Accountants
(FRN: 003013N)

VIKAS GARG
(MANAGING DIRECTOR)
00255413

SUMER CHAND TAYAL
(DIRECTOR)
00255661

Place: NEW DELHI
Date: May 23, 2016

SIDDHARTH AGRAWAL
(COMPANY SECRETARY)

ASHUTOSH KUMAR VERMA
(CHIEF EXECUTIVE OFFICER)

PANKAJ KUMAR GUPTA
(CHIEF FINANCIAL OFFICER)

Statement of Profit and loss for the year ended March 31, 2016

Amount in ₹

| | Note No. | As at March 31, 2016 | As at March 31, 2015 |
|--|----------|-----------------------|-----------------------|
| Revenue | | | |
| Revenue from operations | 19 | 3,23,45,49,618 | 2,21,26,42,831 |
| Less: Excise duty | | (16,30,29,478) | (10,24,88,190) |
| Net Sales | | 3,07,15,20,140 | 2,11,01,54,641 |
| Other income | 20 | 4,83,09,132 | 3,70,70,306 |
| Total revenue | | 3,11,98,29,272 | 2,14,72,24,947 |
| Expenses | | | |
| Cost of material Consumed | 21 | 1,72,93,91,614 | 1,24,50,74,345 |
| Purchase of stock-in-trade | 22 | 66,74,28,985 | 49,42,21,506 |
| Changes in inventories | 23 | (2,45,16,179) | 2,09,09,438 |
| Employee benefit expenses | 24 | 3,27,79,336 | 3,71,72,085 |
| Finance costs | 25 | 11,33,53,541 | 10,71,12,968 |
| Depreciation and amortization expenses | 26 | 3,37,07,715 | 3,41,80,113 |
| Other expenses | 27 | 17,67,28,985 | 14,41,43,788 |
| Total expenses | | 2,72,88,73,997 | 2,08,28,14,243 |
| Profit before exceptional, extraordinary and prior period items and tax | | 39,09,55,275 | 6,44,10,704 |
| Exceptional items | | | |
| Profit before extraordinary and prior period items and tax | | 39,09,55,275 | 6,44,10,704 |
| Extraordinary items | | | |
| Prior period item | | 16,11,579 | (21,82,029) |
| Profit before tax | | 39,25,66,854 | 6,22,28,675 |
| Tax expenses | | | |
| Current tax | | 13,24,36,448 | 1,24,50,558 |
| Mat Credit Availed | | 27,24,857 | 92,00,052 |
| Deferred tax | | (17,83,319) | (36,43,842) |
| Excess/short provision relating earlier year tax | | 38,46,649 | 63,63,547 |
| Profit (Loss) for the period from continuing operations | | 25,53,42,219 | 3,78,58,361 |
| Profit (Loss) from discontinuing operations | | | |
| Tax expenses of discontinuing operations | | | |
| Profit (Loss) from discontinuing operations (after tax) | | | |
| Profit (Loss) for the period | | 25,53,42,219 | 3,78,58,361 |
| Share earnings From Partnership Firm | | – | – |
| Profit (Loss) for the period | | 25,53,42,219 | 3,78,58,361 |
| Earning per share | | | |
| Basic | 43 | 1.00 | 0.15 |
| Diluted | 43 | 1.00 | 0.15 |
| SIGNIFICANT ACCOUNTING POLICIES | 1 | | |

As per our report of even date attached

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

For R S P H AND ASSOCIATES

Chartered Accountants
(FRN: 003013N)

For and on behalf of the Board of Directors

VIKAS GARG
(MANAGING DIRECTOR)
00255413SUMER CHAND TAYAL
(DIRECTOR)
00255661Place: NEW DELHI
Date: May 23, 2016SIDDHARTH AGRAWAL
(COMPANY SECRETARY)ASHUTOSH KUMAR VERMA
(CHIEF EXECUTIVE OFFICER)PANKAJ KUMAR GUPTA
(CHIEF FINANCIAL OFFICER)

Cash flow statement for the period ended on March 31, 2016

| PARTICULARS | For the period ended on March 31, 2016 | For the period ended on March 31, 2015 |
|---|---|---|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net profit (loss) before extraordinary items and Tax | 39,25,66,854 | 6,22,28,676 |
| Adjustments for: | | |
| Depreciation | 3,37,07,715 | 3,35,95,820 |
| Amortization | - | 5,84,293 |
| Fixed Assets Written-off | 18,00,150 | - |
| ESOP Amortization | (1,05,03,337) | 18,55,716 |
| Interest on Income Tax | - | 3,17,229 |
| Interest expenses | 11,33,53,541 | 10,71,12,968 |
| Profit on sale of Investment | - | (1,88,23,854) |
| Profit/Loss on sale of Tangible Asset | 13,808 | (4,125) |
| Interest on current investments | (33,01,543) | (32,61,658.03) |
| Operating Profit (Loss) before working capital changes | 52,76,37,188 | 18,36,05,064 |
| Adjustments for: | | |
| (Increase)/Decrease in inventories | (9,64,94,906) | (4,04,75,034) |
| (Increase)/Decrease in trade receivables | (65,88,14,652) | (20,90,89,799) |
| (Increase)/Decrease in other current assets | 14,55,416 | (8,70,106) |
| (Increase)/Decrease in loans and advances | (34,58,412) | 1,13,75,563 |
| Increase/(Decrease) in trade payables | 13,45,69,806 | 7,63,48,056 |
| Increase/(Decrease) in other liabilities | 8,02,18,626 | (12,38,86,915) |
| Increase/(Decrease) in provisions | (19,876) | 36,058 |
| Cash generated from operations | (1,49,06,810) | (10,29,57,113) |
| Direct taxes (paid)/refunded | (2,65,07,360) | (1,26,96,575) |
| Net Cash flow from (used) in operating activities | (4,14,14,170) | (11,56,53,688) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of tangible fixed assets | (10,48,05,996) | (3,39,27,103) |
| Net effect of invest in Sigma Plastic | - | 1,85,05,845 |
| Sale of Investment (Moonlite Technochem Pvt Ltd) | - | 5,35,34,190 |
| Sale of tangible fixed assets | 4,65,300 | 5,000 |
| Other interest received | 33,01,543 | 45,42,372 |
| Long term loans and advances | 16,37,859 | (3,52,381) |
| Other Non-current activities net | (17,45,890) | 5,70,252 |
| Net cash flow from (used) in investing activities | (10,11,47,184) | 4,28,78,175 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from short term borrowings | 22,77,35,074 | 19,03,32,725 |
| Proceeds from Long term borrowings | 2,22,61,563 | 5,66,25,184 |
| Interest Paid on bank borrowings | (11,33,53,541) | (10,71,12,968) |
| Share Capital | - | - |
| Other Long-term liabilities | (7,93,063) | 2,92,445 |
| Dividend paid | (1,27,11,984) | (50,84,794) |
| Dividend distribution tax paid on equity shares | (24,26,119) | (8,64,161) |
| Net cash flow from (used) in financing activities | 12,07,11,929 | 13,41,88,431 |
| Net increase (decrease) in cash and cash equivalents | (2,18,49,425) | 6,14,12,919 |
| Cash and Cash Equivalents at the beginning of the year | 6,58,37,193 | 44,24,274 |
| Cash and Cash Equivalents at the end of the year | 4,39,87,768 | 6,58,37,193 |

As per our report of even date attached

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

For R S P H AND ASSOCIATES

Chartered Accountants
(FRN: 003013N)

Place: NEW DELHI
Date: May 23, 2016

For and on behalf of the Board of Directors

VIKAS GARG
(MANAGING DIRECTOR)
00255413

SIDDHARTH AGRAWAL
(COMPANY SECRETARY)

SUMER CHAND TAYAL
(DIRECTOR)
00255661

ASHUTOSH KUMAR VERMA
(CHIEF EXECUTIVE OFFICER)

PANKAJ KUMAR GUPTA
(CHIEF FINANCIAL OFFICER)

NOTE 1:**Background and Nature of Operations**

Vikas Ecotech Limited (VEL) (Formally known as Vikas Globalone Limited) is a Delhi based professionally managed Company incorporated on November 30, 1984 under the Companies Act, 1956, having its registered office at Vikas Apartments, 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) and Bombay Stock Exchange (BSE).

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.

Summary of Significant Accounting Policies

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

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

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.

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.

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

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

Depreciation and Amortization:

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

| | |
|--|--|
| • Building Office | 60 Years |
| • Building Factory | 30 Years |
| • Plant and Machinery | 15 Years |
| • Office Equipment | 5 Years |
| • Furniture and fixture | 10 Years |
| • Electricity Fitting and Installation | 10 Years |
| • Vehicles | |
| • Motor cycles, scooters | 10 Years |
| • Motor cars | 8 Years |
| • Computers | 3 Years |
| • Lease Hold Land | Remaining useful live As per lease agreement |

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

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.

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.

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

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.

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).

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.

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.

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.

Employees' Retirement Benefits:▶ **Short Term Employee Benefits**

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

▶ **Post Employment Benefits**▶ **Defined Contribution Plans**

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

▶ **Defined Benefit Plans**

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

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.

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.

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.

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.

Employee Stock Option Scheme: The Company account for Equity Settled Stock Options as per accounting treatment prescribed by Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014 and the guidance note on the Employees Share-Based Payments issued by the Institute of Chartered Accountant of India using the intrinsic value method. Earlier scheme was formulated under the guidelines issued by SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999.

Note No. 2 Share Capital

| PARTICULARS | Amount in ₹ | |
|--|-----------------------------------|-----------------------------------|
| | As at 31 st March 2016 | As at 31 st March 2015 |
| Authorised : | | |
| 26,00,00,000 Equity shares of ₹1/- par value | 26,00,00,000 | 26,00,00,000 |
| Issued : | | |
| 25,42,39,675 Equity shares of ₹1/- par value | 25,42,39,675 | 25,42,39,675 |
| Subscribed and paid-up : | | |
| 25,42,39,675 Equity shares of ₹1/- par value | 25,42,39,675 | 25,42,39,675 |
| Total | 25,42,39,675 | 25,42,39,675 |

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

| Equity Shares | As at March 31, 2016 | | As at March 31, 2015 | |
|---|----------------------|---------------------|----------------------|---------------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| At the beginning of the period | 25,42,39,675 | 25,42,39,675 | 10,16,95,870 | 10,16,95,870 |
| Issued during the Period (Bonus Issue) | - | - | 15,25,43,805 | 15,25,43,805 |
| Redeemed or bought back during the period | - | - | - | - |
| Outstanding at end of the period | 25,42,39,675 | 25,42,39,675 | 25,42,39,675 | 25,42,39,675 |

Details of Shareholders holding shares more than 5% shareholding

| | As at March 31, 2016 | | As at March 31, 2015 | |
|---|----------------------|--------|----------------------|--------|
| | No of Shares | % | No of Shares | % |
| Vikas Garg | 5,03,62,250 | 19.81% | 5,33,62,250 | 20.99% |
| *Vikas Polymer Land Pvt Ltd (The company Vikas Polymer Land Pvt Ltd is now Merged with Moonlite Technochem Pvt Ltd) | - | - | 3,03,24,075 | 11.93% |
| *Moonlite Technochem Pvt Ltd* | 4,32,21,141 | 17.00% | - | - |
| Athena Multitrade Pvt. Ltd. (Formerly known as Goodlife Impex Private Limited) | 2,04,31,500 | 8.04% | 2,97,96,000 | 11.72% |

Right, Preferences and Restriction attached to Shares

Equity Shares

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

Employee's Stock Option Scheme

The Company formulated an Employee's Stock Option Scheme as per Note No. 45 during the financial year 2012-13. 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 ₹1 (i.e. Par Value of Share). The final trench Employee Stock Options granted by the Company pursuant to its ESOP Scheme, 2011, lapsed on December 1, 2015, no employee opted for ESOP during the year under consideration, therefore there is no allotment of share on account of ESOP during the current financial year.

| PARTICULARS | NO OF OPTIONS |
|---|---------------|
| Options Granted | 36,95,000 |
| Pricing Formula | Face Value |
| Options Outstanding, beginning of the Year | 17,31,500 |
| No of Options given to Employees in Third year (40% of total no of options) | 10,46,000 |
| Less-No of Options Exercised by Employees | Nil |
| No of Options Lapsed during the period | 27,77,500 |
| Options Outstanding, end of the year | NIL |

**The Company Vikas Polymer Land was merged with company Moonlite Technochem Pvt Ltd in Financial Year 2015-16 with effect from April 1, 2014, by virtue of this merger, all assets and liabilities of Vikas Polymer Land Pvt Ltd was transferred to Moonlite Technochem Pvt Ltd and now Moonlite Technochem Pvt Ltd become the shareholder of the company Vikas Ecotech Ltd.*

Note No. 3 Reserves and surplus

| PARTICULARS | Amount in ₹ | |
|--|----------------------|----------------------|
| | As at March 31, 2016 | As at March 31, 2015 |
| Profit and Loss Account | | |
| Opening Balance | 2,00,70,172 | – |
| Add: Profit for the year | 25,53,42,219 | 3,78,58,361 |
| Less: Transfer to General Reserve | (1,78,73,954) | (26,50,085) |
| Less: Dividend Proposed | (1,27,11,984) | (1,27,11,984) |
| Less: Dividend Distribution Tax | (25,87,906) | (24,26,119) |
| Closing Balance | 24,22,38,547 | 2,00,70,172 |
| Securities Premium Account | | |
| Opening Balance | – | 7,36,16,255 |
| Add: Addition during the year | – | – |
| Less: Deletion during the year | – | 7,36,16,255 |
| Closing Balance | – | – |
| Capital Reserve* | | |
| Opening Balance | 9,65,934 | 9,65,934 |
| Add: Addition during the year | – | – |
| Less: Deletion during the year | – | – |
| Closing Balance | 9,65,934 | 9,65,934 |
| General Reserve | | |
| Opening Balance | 14,71,20,475 | 22,45,17,669 |
| Add: Addition during the year | 1,78,73,954 | 26,50,085 |
| Less: Reversal of Fixed Assets Expired Useful Life | – | (11,19,729) |
| Less: Appropriation towards bonus shares | – | (7,89,27,550) |
| Closing Balance | 16,49,94,429 | 14,71,20,475 |
| Employee stock option reserve** | 1,05,03,337 | 1,08,56,505 |
| Less: Witten off/Transfer | 1,05,03,337 | (3,53,168) |
| Closing Balance | – | 1,05,03,337 |
| Balance carried to balance sheet | 40,81,98,910 | 17,86,59,918 |

*Kindly refer Note No. 47 of Note provide the details of the Capital Reserve

**Kindly refer Note No. 45 in respect of Employee Stock Option

Note No. 4 Long-Term Borrowings

Amount in ₹

| PARTICULARS | As at March 31, 2016 | | | As at March 31, 2015 | | |
|--|----------------------|--------------------|---------------------|----------------------|--------------------|--------------------|
| | Non-Current | Current Maturities | Total | Non-Current | Current Maturities | Total |
| Term Loan - From banks | | | | | | |
| HDFC Vehicle Loan (Agreement No. 24353585) secured | – | 45,066 | 45,066 | 45,066 | 2,54,144 | 2,99,210 |
| HDFC- Vehicle Loan (Agreement No. 25941597) secured | – | – | – | 1,21,206 | 1,90,963 | 3,12,169 |
| ICICI Bank- LADEL00026826516 secured | – | – | – | – | 1,13,836 | 1,13,836 |
| ICICI Loan No.- LADEEL00026874591 secured | – | 2,11,315 | 2,11,315 | 2,11,315 | 12,55,497 | 14,66,812 |
| ICICI Bank Loan No. LADEL00002038205 secured (Loan Taken for Business) | 3,96,94,710 | 36,06,217 | 4,33,00,927 | 4,33,00,927 | 32,00,333 | 4,65,01,260 |
| OBC TL- 11167015000461 secured (Term Loan – III) | 47,92,386 | 50,40,000 | 98,32,386 | 78,41,132 | 61,42,461 | 1,39,83,593 |
| OBC TL- 08767025001865 secured (Term Loan – IV) | 1,73,32,761 | 54,00,000 | 2,27,32,761 | 2,32,99,395 | 31,00,596 | 2,63,99,991 |
| OBC TL- 08767025002281 secured (Term Loan – V) | 3,52,60,747 | 98,40,209 | 4,51,00,956 | – | – | – |
| | 9,70,80,604 | 2,41,42,807 | 12,12,23,411 | 7,48,19,041 | 1,42,57,830 | 8,90,76,871 |
| The Above Amount Includes | | | | | | |
| Secured Borrowings | 9,70,80,604 | 2,41,42,807 | 12,12,23,411 | 7,48,19,041 | 1,42,57,830 | 8,90,76,871 |
| Amount Disclosed Under the Head “Other Current Liabilities” (Note No. 9) | | (2,41,42,807) | (2,41,42,807) | | (1,42,57,830) | (1,42,57,830) |
| Net Amount | 9,70,80,604 | 0 | 9,70,80,604 | 7,48,19,041 | 0 | 7,48,19,041 |

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 ₹22,837 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 ₹17,941 each along with interest from the date of Loan. The loan is secured by hypothecation of car of the Company. The said loan is squared off during the financial year.

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

ICICI Loan No - LADEL00026874591 was taken during 2013 year and carries interest @9.09% per annum. The Loan is repayable in 36 installments of ₹1,11,450 each along with interest from the date of Loan. The loan is secured by hypothecation of car of the Company.

Term Loan-III (Oriental Bank of Commerce) Closing balance limits ₹98.32 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 December 31, 2014 on the existing term and conditions. The Loan will be repayable in Equal Installments of ₹5.12 lacs per month. The rate of interest shall be BR+ 2%+.5%. The Period of Maturity from the Balance Sheet date is 17 months.

Term Loan-IV (Oriental Bank of Commerce) Closing balance limits ₹227.32 Lacs. The Term Loan is secured on the 1st exclusive charge by way of hypothecation on plant & machinery financed by OBC. The loan was reviewed on December 31, 2014 on the existing term and conditions. The Loan will be repayable in Equal Installments of ₹7.39 lacs per month. The rate of interest shall be BR+ 2%+.5%. The Period of Maturity from the Balance Sheet date is 48 months.

Term Loan-V (Oriental Bank of Commerce) Closing balance limits ₹451.00 Lacs. The Term Loan is secured on the 1st exclusive charge by way of hypothecation on plant & machinery and construction of Building financed by OBC. The loan was granted on December 31, 2014 on the existing term and conditions. The Loan will be repayable in Equal Installments of ₹8.20 lacs per month. The rate of interest shall be BR+ 2%+.5%. The Period of Maturity from the Balance Sheet date is 54 months.

ICICI Bank Loan No. LADEL00002038205: By virtue of acquisition of remaining share in sigma plastic industries, the Loan (Firm has taken term loan from ICICI Bank of ₹500 Lacs repayable in 120 EMI of ₹717355 each on November 12, 2013, this is secured against house

No.10, Road No.4 East Punjabi Bagh New Delhi, the property in the name of the directors of the Company) become the part of capital structure of the Company and The Loan is in the process of transferring the name of the borrower from Sigma Plastic Industries to Vikas Globalone Limited and has not been transferred in the name of Company as on Balance Sheet Date.

Note No. 5 Deferred Tax

| PARTICULARS | Amount in ₹ | |
|-------------------------------------|----------------------|----------------------|
| | As at March 31, 2016 | As at March 31, 2015 |
| Deferred tax liability | | |
| Deferred tax liability depreciation | – | 68,562 |
| Gross deferred tax liability | – | 68,562 |
| Deferred tax Asset depreciation | 17,14,757 | |
| Net deferred tax Assets | 17,14,757 | – |

Note No. 6 Other Long Term Liabilities

Amount in ₹

| PARTICULARS | As at March 31, 2016 | As at March 31, 2015 |
|--|----------------------|----------------------|
| Other Payables | | |
| Provision For Gratuity (Long Term Portion) | 8,75,622 | 16,68,685 |
| | 8,75,622 | 16,68,685 |
| Total | 8,75,622 | 16,68,685 |
| Total | 25,42,39,675 | 25,42,39,675 |

Note No. 7 Provisions

Amount in ₹

| PARTICULARS | As at March 31, 2016 | | | As at March 31, 2015 | | |
|--|----------------------|---------------------|--------------------|----------------------|--------------------|--------------------|
| | Long-term | Short-term | Total | Long-term | Short-term | Total |
| Provision for employee benefit | | | | | | |
| Provision for gratuity (Short Term) | | 16,182 | 16,182 | | 36,058 | 36,058 |
| | | 16,182 | 16,182 | | 36,058 | 36,058 |
| Other provisions | | | | | | |
| Provision for proposed equity dividend | | 1,27,11,984 | 1,27,11,984 | | 1,27,11,984 | 1,27,11,984 |
| Provision for Dividend Tax on proposed equity dividend | | 25,87,906 | 25,87,906 | | 24,26,119 | 24,26,119 |
| Current tax provision | | 13,24,36,448 | 13,24,36,448 | | 2,16,50,610 | 2,16,50,610 |
| | | 14,77,36,338 | 1,52,99,890 | | 3,67,88,713 | 3,67,88,713 |
| Total | | 14,77,52,520 | 1,53,16,072 | | 3,68,24,771 | 3,68,24,771 |

Note No. 8 Short Term Borrowings

Amount in ₹

| PARTICULARS | As at March 31, 2016 | As at March 31, 2015 |
|---|----------------------|----------------------|
| Loans Repayable on Demands - From Banks | | |
| Cash Credit Limit (Oriental Bank of Commerce) Secured | 27,95,39,571 | 24,28,30,570 |
| Cash Credit Limit (Bank of Baroda) Secured | 23,72,76,415 | 10,07,79,262 |
| PCFC/FCBRD Limit (Oriental Bank of Commerce) Secured | 18,81,76,242 | 16,36,51,553 |
| PCFC Limit (Bank of Baroda) Secured | 10,97,28,142 | 7,97,23,911 |
| | 81,47,20,370 | 58,69,85,296 |
| The Above Amount Includes | | |
| Secured Borrowings | 81,47,20,370 | 58,69,85,296 |
| Total | 81,47,20,370 | 58,69,85,296 |

CASH CREDIT

Company is availing working capital limits under consortium of Oriental Bank of Commerce and Bank of Baroda with Oriental Bank of Commerce as lead banker in consortium and Bank of Baroda is member bank.

The Company is availing a cash credit (Hypo) limit of ₹4,440 Lacs which include PCFC Limit of ₹1,900 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. Margin is 20% & The rate of interest is Bank Base Rate + 2% which at present is 11.65% p.a. Further the Company is also availing LC (Import) DA/DP basis non Fund Based Limit of ₹2,220 Lacs (which includes both side inter changeability LC to CC for ₹500 Lacs) procurement of Raw Material and spares. Cash Margin is 15% in the shape of FDR. The proposal of renewal cum enhancement is under process with Oriental Bank of Commerce as on Balance Sheet Date.

The Company is also availing Cash Credit limit of ₹2,960 Lacs from Bank of Baroda with a sub limit of PC/PCFC/FBP/FBD of ₹1,100 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 Oriental Bank of Commerce. DP shall be permitted against receivable upto 180 days. Margin is 20% & Rate of interest is BR + 2% which is present 11.65%. Further the Company is availing Non Fund Based LC (Import/Inland/DP/DA/BG), Buyers Credit of ₹1,480 Lacs for procurement of raw material and spares. Cash Margin is 15% in the shape of FDR.

Further the limit is secured on following Collateral Properties:

1. Property bearing Khasra No. 14/5/2 6 min, 15/1/2, 9/2 & 10 min Vill Ghevra, Near Mundka Railway Crossing, Delhi owned by Ms. Seema Garg and Ms. Namita Garg.
2. Roof right of Property 34/1, Vikas Apartments, East Punjabi Bagh, New Delhi owned by Vikas Globalone Limited.
3. Industrial property at Industrial Growth Centre, Phase 1, Dist. Samba, J & K owned by Vikas Globalone Limited.
4. Land & building situated at Industrial Growth Centre, Phase-1, Dist. Samba, J & K owned by Sigma Plastic Industries, which has been merged with Vikas GlobalOne Ltd.
5. F-5, Vikas Apartment, 34/1, 1st Floor, East Punjabi Bagh, New Delhi owned by Ms. Seema Garg.
6. EM of industrial property at G-30 RIICO Industrial Area, Vigyan Nagar, Shahjahanpur Dist. Alwar, Rajasthan.
7. Property situated at Khasra No. 710/201 in Village Rithala, Delhi owned by Mr. Vivek Garg.
8. A-28 Khasra No. 12/10 and 13/6 Village Kamrudin Nagar Nangloi owned by Ms. Seema Garg and Ms. Usha Garg.
9. 770, Khasra No. 142/770, situated at Village Khanjawala, New Delhi owned by Ms. Usha Garg
10. B-1, 34/1, Vikas Apartment, Punjabi Bagh, New Delhi owned by Ms. Usha Garg.
11. Mortgage of Agricultural land situated at village Sultanpur Dabas, New Delhi owned by Vikas GlobalOne Limited.
12. EM of industrial property at G-24-29 & G-30 RIICO Industrial Area, Vigyan Nagar, Shahjahanpur Dist. Alwar Rajasthan.
13. Negative lien on plot of 27,840.91 Sq. Mt. at Dahej-II, Industrial Estate, Dist. Bharuch Gujarat.

Properties at Sr. No. 4 & 5 are charged in account of Sigma Plastic Industries. Since this concern has been merged with the Vikas Globalone Limited, the properties shall now be charged to the consortium.

Further limit is guaranteed by Personal guarantee of the following

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

Note No. 9 Trade Payables

Amount in ₹

| PARTICULARS | As at March 31, 2016 | As at March 31, 2015 |
|------------------|----------------------|----------------------|
| Sundry Creditors | 44,89,41,279 | 31,43,71,473 |
| Total | 44,89,41,279 | 31,43,71,473 |

Note No. 10 Other Current Liabilities

Amount in ₹

| PARTICULARS | As at March 31, 2016 | As at March 31, 2015 |
|--|----------------------|----------------------|
| Current maturities of long-term debt (Note No. 4) | 2,41,42,807 | 1,42,57,830 |
| | 2,41,42,807 | 1,42,57,830 |
| Others payables | | |
| Duties and Taxes | 11,86,613 | 13,33,264 |
| Advance received from customers | 87,77,696 | 29,00,245 |
| Expenses payable | 40,87,771 | 44,75,396 |
| Current Account with Bank* | 6,47,74,225 | – |
| Other current expenses and liabilities | 21,78,780 | 19,62,532 |
| | 8,10,05,085 | 1,06,71,437 |
| Total | 10,51,47,892 | 2,49,29,267 |

*Current Account with Bank is subject to reconciliation of cheques issued to suppliers.

Note No. 11 Fixed Assets Chart as at March 31, 2016**NOTE NO. 11 FIXED ASSETS**

| PARTICULARS | Rate | GROSS BLOCK | | | DEPRECIATION | | | NET BLOCK | | | |
|-----------------------------|--------------------|----------------------|---------------------|------------------|----------------------|----------------------|--------------------|------------------|----------------------|----------------------|---------------------|
| | | As at March 31, 2015 | Addition | Deductions | As at March 31, 2016 | As on March 31, 2015 | for the year | Deletion | As on March 31, 2016 | As on March 31, 2015 | |
| Tangible Assets | | | | | | | | | | | |
| Lease hold Land | As per useful Life | 5,65,06,697 | 2,04,39,615 | - | 7,69,46,312 | 4,07,809 | 5,08,576 | - | 9,16,385 | 7,60,29,927 | 5,60,98,888. |
| Building (Office) | 5.00% | 44,50,484 | - | 13,85,889 | 30,64,595 | 8,28,261 | 1,19,402 | 1,89,621 | 7,58,042 | 23,06,553 | 36,22,223 |
| Building (Factory) | 5.00% | 6,68,73,951 | 69,21,059 | - | 7,37,95,010 | 1,34,58,473 | 53,75,477 | - | 1,88,33,950 | 5,49,61,061 | 5,34,15,479 |
| Plant & Machinery | 13.91% | 15,11,31,356 | 7,61,56,962 | 4,47,336 | 22,68,40,982 | 6,51,54,779 | 2,35,96,615 | 1,82,282 | 8,85,69,112 | 13,82,71,870 | 8,59,76,577 |
| Furniture & Fittings | 18.10% | 31,83,678 | 12,700 | 5,04,428 | 26,91,950 | 18,59,888 | 3,12,003 | 2,11,951 | 19,59,940 | 7,32,009 | 13,23,789 |
| Vehicles | 25.89% | 2,15,55,776 | 6,70,613 | 23,40,370 | 1,98,86,019 | 1,48,60,078 | 23,67,870 | 18,61,261 | 1,53,66,687 | 45,19,332 | 66,95,698 |
| Office Equipments | 13.91% | 1,06,38,120 | 3,01,060 | 1,49,522 | 1,07,89,658 | 80,98,778 | 11,00,152 | 1,03,171 | 90,95,759 | 16,93,899 | 25,39,342 |
| Computers | 40.00% | 47,50,345 | 3,03,987 | - | 50,54,332 | 42,15,346 | 3,27,620 | - | 45,42,966 | 5,11,366 | 5,34,999 |
| Total(A) | | 31,90,90,407 | 10,48,05,996 | 48,27,545 | 41,90,68,858 | 10,88,83,412 | 3,37,07,715 | 25,48,286 | 14,00,42,841 | 27,90,26,018 | 21,02,06,995 |
| Intangible Assets | | | | | | | | | | | |
| Goodwill | | 29,21,464 | - | 29,21,464 | - | 29,21,464 | - | 29,21,464 | - | - | - |
| Total (B) | | 29,21,464 | - | 29,21,464 | - | 29,21,464 | - | 29,21,464 | - | - | - |
| Total (Current Year) | | 32,20,11,871 | 10,48,05,996 | 77,49,009 | 41,90,68,858 | 11,18,04,876 | 3,37,07,715 | 54,69,750 | 14,00,42,841 | 27,90,26,018 | 21,02,06,995 |
| As on March 31, 2015 | | 28,21,84,387 | 3,98,44,984 | 17,500 | 32,20,11,871 | 7,06,03,779 | 4,00,97,994 | 11,36,354 | 10,95,65,419 | 21,02,06,995 | 21,15,80,609 |

Note No. 12 Non-current Investments

Amount in ₹

| PARTICULARS | As at March 31, 2016 | As at March 31, 2015 |
|--|----------------------|----------------------|
| LIC Group Insurance (Lower of cost and Market value) | 3,86,179 | 3,55,046 |
| Gross Investment | 3,86,179 | 3,55,046 |
| Net Investment | 3,86,179 | 3,55,046 |

Note No. 13 Loans and Advances

Amount in ₹

| PARTICULARS | As at March 31, 2016 | | As at March 31, 2015 | |
|---|----------------------|---------------------|----------------------|---------------------|
| | Long-term | Short-term | Long-term | Short-term |
| Security Deposit | | | | |
| Unsecured and considered good | 17,85,674 | 15,34,500 | 34,23,533 | 15,87,062 |
| | 17,85,674 | 15,34,500 | 34,23,533 | 15,87,062 |
| Other loans and advances (Unsecured & Consider Good) | | | | |
| Advance to Suppliers * | | 8,74,45,530 | | 10,22,68,866 |
| Advance Against Capital Assets*** | | 72,49,720 | | - |
| Advance to Staff | | 6,16,750 | | 9,43,210 |
| Cenvat Credit Receivable | | 35,30,792 | | 81,23,049 |
| Tax deducted at source | | 4,58,505 | | 29,99,504 |
| MAT Credit | | - | | 1,50,80,382 |
| Advance income tax paid | | 1,23,50,000 | | 10,00,000 |
| PLA Excise | | 7,13,693 | | 15,63,213 |
| Receivable Govt. Dept. | | 4,93,71,330 | | 2,85,92,420 |
| Margin Money with Suppliers | | 3,62,000 | | - |
| Interest Receivable | | 37,04,967 | | 17,21,668 |
| | | 16,58,03,287 | | 16,22,92,312 |
| Total | 17,85,674 | 16,73,37,787 | 34,23,533 | 16,38,79,374 |

***Advance to Suppliers** includes ₹35,80,964 (Thirty Five Lacs Eighty Thousand Nine Hundred and Sixty Four only) to Moonlite Technochem Private Limited in which Director of Vikas Globalone Limited is also a Director.

*****Advance against Capital Assets** includes ₹4,49,720 (Four Lacs Forty Nine Thousand Seven Hundred and Twenty only) to M M Infosystems Private Limited in which Director of Vikas Globalone Limited is also a Director.

Balances with Related Parties

| PARTICULARS | As at March 31, 2016 |
|-----------------------------|----------------------|
| Moonlite Technochem Pvt Ltd | 35,80,964 |
| M M Infosystems Pvt Ltd | 4,49,720 |
| Total | 40,30,684 |

Note No. 14 Other Non-current Assets

Amount in ₹

| PARTICULARS | As at March 31, 2016 | As at March 31, 2015 |
|------------------------|----------------------|----------------------|
| Other Assets | | |
| Government Receivables | – | – |
| Total | – | – |

Note No. 15 Inventories

Amount in ₹

| PARTICULARS | As at March 31, 2016 | As at March 31, 2015 |
|---|----------------------|----------------------|
| (Valued at cost or NRV unless otherwise stated) | | |
| Finished Goods | 2,53,65,043 | 3,17,47,267 |
| Raw Material | 28,01,95,935 | 17,64,47,009 |
| Goods under Work in Progress | – | 3,86,093 |
| Goods in Transit | 1,29,82,576 | 3,79,84,458 |
| Real Estate Inventory | 2,66,16,539 | 2,66,16,539 |
| Traded goods | 3,02,95,454 | 57,79,275 |
| Total | 37,54,55,547 | 27,89,60,641 |

Note No. 16 Trade Receivables

Amount in ₹

| PARTICULARS | As at March 31, 2016 | As at March 31, 2015 |
|------------------------------------|-----------------------|----------------------|
| Exceeding six months | | |
| Unsecured, Considered Good | 3,57,79,303 | 2,58,55,908 |
| Less: Provision for Doubtful Debts | – | – |
| Sub Total | 3,57,79,303 | 2,58,55,908 |
| Less than six months | | |
| Unsecured, Considered Good | 1,37,05,83,293 | 72,16,92,036 |
| Less: Provision for Doubtful Debts | – | – |
| Sub Total | 1,37,05,83,293 | 72,16,92,036 |
| Total | 1,40,63,62,596 | 74,75,47,944 |

Note No. 17 Cash & Cash Equivalent

Amount in ₹

| PARTICULARS | As at March 31, 2016 | As at March 31, 2015 |
|----------------------------|----------------------|----------------------|
| Balance with Banks | | |
| Bank Current Account | 5,34,648 | 52,01,473 |
| Unpaid Dividend Account* | 11,33,708 | 9,41,924 |
| FDR Margin Money with Bank | 4,11,10,000 | 5,78,67,882 |
| Total | 4,27,78,356 | 6,40,11,279 |
| Cash in hand | | |
| Cash in hand | 12,09,411 | 18,25,914 |
| Total | 12,09,411 | 18,25,914 |
| Total | 4,39,87,768 | 6,58,37,193 |

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

Note No. 18 Other Current Assets

Amount in ₹

| PARTICULARS | As at March 31, 2016 | As at March 31, 2015 |
|------------------|----------------------|----------------------|
| Other Assets | | |
| Prepaid Expenses | 9,00,546 | 23,55,962 |
| Total | 9,00,546 | 23,55,962 |

Note No. 19 Revenue from Operations

Amount in ₹

| PARTICULARS | As at March 31, 2016 | As at March 31, 2015 |
|--|-----------------------|-----------------------|
| Sale of products | 3,23,45,49,618 | 2,19,12,38,924 |
| Other Operative Income | | |
| Revenue franchise | – | 2,13,71,409 |
| | | 2,13,71,409 |
| Other operating revenues | | |
| Miscellaneous other operating revenues | – | 32,498 |
| | | 32,498 |
| Gross revenue from operations | 3,23,45,49,618 | 2,21,26,42,831 |

Sales of Product includes following transactions with the related party:

| PARTICULARS | March 31, 2016 | March 31, 2015 |
|-------------------------------------|-----------------|------------------|
| Moonlite Technochem Private Limited | 8,13,57,063 | 2,10,38,632 |
| Vikas Polymers (India) | 21,37,325 | 57,65,681 |
| Total | 9,00,546 | 23,55,962 |

Note No. 20 Other Income

| PARTICULARS | Amount in ₹ | |
|---|--------------------|--------------------|
| | March 31, 2016 | March 31, 2015 |
| Interest Income and Commission | 33,01,543 | 32,61,658 |
| Job Work | 33,500 | 10,38,713 |
| Employee Stock Option reversal | 1,05,03,337 | – |
| Net gain on sale of long-term investments (Sale of Subsidiary) | – | 1,88,23,854 |
| Other non-operating income | | |
| Profit on disposal of tangible fixed assets | – | 4,125 |
| Foreign exchange difference income | 58,06,318 | 74,66,966 |
| Excise Refund | 39,94,791 | 18,25,865 |
| Rental income from property | 12,00,000 | 4,66,634 |
| Rebate and Discount | 1,38,83,971 | 13,01,916 |
| Export Incentive | 95,70,029 | 1,95,003 |
| Other receipts | 15,642 | 26,85,572 |
| | 3,44,70,751 | 1,39,46,080 |
| Total | 4,83,09,132 | 3,70,70,306 |

Note No. 21 Cost of Material Consumed

| PARTICULARS | Amount in ₹ | |
|--|-----------------------|-----------------------|
| | March 31, 2016 | March 31, 2015 |
| Inventory at the beginning | | |
| Raw Material, WIP and Finished Goods | 20,85,80,370 | 19,48,71,106 |
| | 20,85,80,370 | 19,48,71,106 |
| Add: Opening Stock of Sigma Plastic Industries (due to acquisition) | | |
| Raw Material, WIP and Finished Goods | | 933 |
| | | 933 |
| Add:Purchase | | |
| Raw Material | 1,82,63,72,222 | 1,25,87,82,675 |
| | 1,82,63,72,222 | 1,25,87,82,675 |
| Less: Inventory at the end | | |
| Raw Material, WIP and Finished Goods | 30,55,60,978 | 20,85,80,369 |
| | 30,55,60,978 | 20,85,80,369 |
| Total | 1,72,93,91,614 | 1,24,50,74,345 |

Details of inventory

| PARTICULARS | Amount in ₹ | |
|--|---------------------|---------------------|
| | March 31, 2016 | March 31, 2015 |
| Raw Material | | |
| Raw material, WIP & Finished Goods Inventory | 30,55,60,978 | 20,85,80,370 |
| Total | 30,55,60,978 | 20,85,80,370 |

Details of Major material consumed

| PARTICULARS | Amount in ₹ | | | |
|-----------------------------|---------------------|-----------------------|---------------------|-----------------------|
| | Opening Stock | Purchases | Closing Stock | Consumption |
| Raw Material | | | | |
| Tin Alloy/Inogts | 3,81,70,600 | 36,34,62,465 | 5,69,45,315 | 34,46,87,750 |
| 2 Ethylhexyl Thioglycolate | 61,07,550 | 4,24,72,677 | 1,37,08,927 | 3,48,71,300 |
| Tinmate | 0 | 5,96,70,951 | 8,95,500 | 5,87,75,451 |
| Hydrogen Peroxide | 16,11,469 | 1,03,77,399 | 38,18,522 | 81,70,346 |
| RSO Refined Soyabean Oil | 51,680 | 4,18,14,174 | 6,83,865 | 4,11,81,989 |
| PVC Resin | 60,44,200 | 31,74,28,504 | 5,58,89,664 | 26,75,83,040 |
| Styrene Butadiene Copolymer | 9,39,476 | 13,08,86,327 | 42,31,320 | 12,75,94,483 |
| Styrene Butadiene Styrene | 1,77,34,046 | 18,83,29,529 | 12,83,666 | 20,47,79,909 |
| Methyl Chloride (Gas) | 8,06,530 | 40,91,988 | 6,50,589 | 42,47,929 |
| Others | 13,71,14,819 | 66,78,38,208 | 16,74,53,610 | 63,74,99,417 |
| Total | 20,85,80,370 | 1,82,63,72,222 | 30,55,60,978 | 1,72,93,91,614 |

Note No. 22 Purchase of Stock-in-trade

| PARTICULARS | Amount in ₹ | |
|---------------------------|---------------------|---------------------|
| | March 31, 2016 | March 31, 2015 |
| Purchase of Trading goods | 66,74,28,985 | 49,42,21,506 |
| Total | 66,74,28,985 | 49,42,21,506 |

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

| PARTICULARS | March 31, 2016 | March 31, 2015 |
|-------------------------------------|----------------|-----------------|
| Moonlite Technochem Private Limited | 11,29,03,456 | 12,04,18,383.75 |
| Vikas Polymers (India) | 7,40,09,328 | 2,73,37,248 |

Note No. 23 Changes in Inventories

| Amount in ₹ | | |
|---|----------------------|----------------------|
| PARTICULARS | As at March 31, 2016 | As at March 31, 2015 |
| Inventory at the end of the year | | |
| Traded Goods & Real Estate Inventory | 5,69,11,993 | 3,23,95,814 |
| | 5,69,11,993 | 3,23,95,814 |
| Inventory at the beginning of the year | | |
| Traded Goods & Real Estate Inventory | 3,23,95,814 | 4,36,14,502 |
| Add: Opening stock of sigma plastic industry (Earlier Associate Concern now 100% Owned) | | 96,90,750 |
| | 3,23,95,814 | 5,33,05,252 |
| (Increase)/decrease in inventories | | |
| Traded Goods & Real Estate Inventory | (2,45,16,179) | 2,09,09,438 |
| | (2,45,16,179) | 2,09,09,438 |

| Amount in ₹ | | | |
|--------------------|--------------------|--------------------|----------------------|
| PARTICULARS | Opening Stock | Closing Stock | Change in Inventory |
| Pet Resin | 57,79,275 | 0 | 57,79,275 |
| Plastic Granuals | | | |
| PVC Resin | 0 | 1,90,70,716 | (1,90,70,716) |
| TIN Ingots | | 1,12,24,738 | (1,12,24,738) |
| Land | 2,66,16,539 | 2,66,16,539 | 0 |
| Grand Total | 3,23,95,814 | 5,69,11,993 | (2,45,16,179) |

Note No. 24 Employee Benefit Expenses

| Amount in ₹ | | |
|--|----------------------|----------------------|
| PARTICULARS | As at March 31, 2016 | As at March 31, 2015 |
| Salaries and Wages | | |
| Salary including Employee Benefits | 2,56,49,300 | 2,81,76,023 |
| Wages including Employee Benefits | 34,80,934 | 43,88,472 |
| Contribution of Employer on Provident and Other Fund | 7,59,666 | 3,70,938 |
| Expenses on ESOP | - | 18,55,716 |
| Director Remuneration | 22,80,000 | 15,18,000 |
| | 3,21,69,900 | 3,63,09,149 |
| Staff welfare Expenses | | |
| Staff Welfare Expenses | 6,09,436 | 8,62,936 |
| | 6,09,436 | 8,62,936 |
| Total | 3,27,79,336 | 3,71,72,085 |

Note No. 25 Finance Costs

Amount in ₹

| PARTICULARS | March 31, 2016 | March 31, 2015 |
|--|---------------------|---------------------|
| Interest | | |
| Interest on long-term loans from banks | 82,29,085 | 99,07,529 |
| Interest on other borrowings | 7,51,65,542 | 8,04,42,308 |
| Other Financing Charges | 2,99,58,915 | 1,67,63,131 |
| | 11,33,53,541 | 10,71,12,968 |
| Total | 11,33,53,541 | 10,71,12,968 |

Note No. 26 Depreciation and Amortization Expenses

Amount in ₹

| PARTICULARS | March 31, 2016 | March 31, 2015 |
|-----------------------------------|--------------------|--------------------|
| Depreciation on tangible assets | 3,37,07,715 | 3,35,95,821 |
| Amortisation of intangible assets | 0 | 5,84,292 |
| Total | 3,37,07,715 | 3,41,80,113 |

Note No. 27 Other Expenses

| PARTICULARS | Amount in ₹ | |
|--|---------------------|---------------------|
| | March 31, 2016 | March 31, 2015 |
| A) Manufacturing & Other Direct Expenses | | |
| Custom duty | 1,79,90,356 | 2,06,75,258 |
| Freight | 3,83,92,427 | 3,50,18,075 |
| Loading and unloading expenses | 29,14,419 | 15,51,392 |
| Power and fuel | 2,23,99,714 | 2,17,97,288 |
| Demurrage and Inland haulage charges | 3,44,61,471 | 1,94,79,955 |
| Consumption of stores and spare parts | 43,88,819 | 17,60,178 |
| Other expenditure | 1,06,04,798 | 4,19,414 |
| Total Manufacturing & Other Direct Expenses | 13,11,52,004 | 10,07,01,560 |
| B) Other Administrative & Selling Expenses | | |
| Legal and Professional Charges | 44,22,701 | 38,28,680 |
| Expenses on Corporate Social Responsibility | 15,00,000 | 12,00,000 |
| Conveyance Expenses | 6,90,964 | 10,19,630 |
| Advertisement and Business Promotion | 18,21,507 | 24,53,858 |
| Rent | 11,68,647 | 8,20,647 |
| Electricity Expenses | 9,84,572 | 11,54,261 |
| Communication Connectivity expenses | 13,17,955 | 14,41,081 |
| Travelling Expenses | 40,42,731 | 35,89,710 |
| Vehicle Running Expense | 3,67,302 | 7,66,074 |
| Donation | 16,71,800 | 4,20,500 |
| Repair and Maintenance - Plant and Machinery | 5,11,925 | 21,29,810 |
| Repair and Maintenance Expenses - Others | 24,20,769 | 4,41,430 |
| Repair and Maintenance - Building | 79,812 | 3,33,770 |
| Freight | 41,75,450 | 21,21,225 |
| Security Charges | 20,44,765 | 17,11,915 |
| Rates and Taxes | 36,22,621 | 12,07,005 |
| Insurance Expenses | 38,92,723 | 21,82,412 |
| Printing and Stationery | 7,32,100 | 5,96,182 |
| Director Sitting Fees | 2,23,000 | 1,40,000 |
| Auditors Remuneration | 6,29,750 | 5,50,000 |
| Rebate and Discount | 99,120 | 10,91,275 |
| ROC Fee | 1,700 | 9,04,500 |
| Commission paid | 961,360 | 15,94,109 |
| Miscellaneous Expenses | 1,29,597 | 2,38,518 |
| Other Interests | 2,74,310 | 7,69,387 |
| Other Expenditure | 77,89,801 | 1,07,36,249 |
| Total Administrative & Other Selling Expenses | 4,55,76,981 | 4,34,42,228 |
| Total Other Expenses (A+B) | 17,67,28,985 | 14,41,43,788 |

Note No. 27(a) Other Expenses**Current tax**

Amount in ₹

| PARTICULARS | March 31, 2016 | March 31, 2015 |
|--|---------------------|--------------------|
| Current tax pertaining to current year | 13,51,61,305 | 2,16,50,610 |
| Total | 13,51,61,305 | 2,16,50,610 |

Deferred tax

Amount in ₹

| PARTICULARS | March 31, 2016 | March 31, 2015 |
|--------------|--------------------|--------------------|
| Deferred Tax | (17,83,319) | (36,43,842) |
| Total | (17,83,319) | (36,43,842) |

Excess/short provision relating earlier year tax

Amount in ₹

| PARTICULARS | March 31, 2016 | March 31, 2015 |
|---|------------------|------------------|
| Short Provision of tax pertaining to previous years | 38,46,649 | 63,63,547 |
| Total | 38,46,649 | 63,63,547 |

Auditor's Remuneration

Amount in ₹

| PARTICULARS | March 31, 2016 |
|------------------------|-----------------|
| Auditor's Remuneration | 5,50,000 |
| Service Tax | 79,750 |
| Total | 6,29,750 |

Note No. 28

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

Note No. 29**Commitments**

Capital Commitment: There are no any other contracts remaining to be executed on capital account and not provided for as at March 31, 2016 except the Company has purchased two Land & Building for through auction on March 19, 2016 for ₹3,23,50,000 (2,51,00,000.00 + 72,50,000.00), at Village Rohad Bahadurgad admeasuring measuring 4840 sq mtrs and 1512.50 sq mts. Company has made the payment of ₹68,00,000 for the same upto March 31, 2016, remaining payment and the registration will be done during the next financial year and the same will be registered in the name of the Company after completing all the formalities for taking over the units.

Lease Commitment: The Company has taken various premises on operating leases. The lease rental of ₹3,55,241 (Previous year ₹6,12,515) has been charged to Profit and Loss Account for the year ended March 31, 2016. 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:

| Minimum Lease Rentals | Amount in ₹ | |
|---|----------------------|----------------------|
| | As at March 31, 2016 | As at March 31, 2015 |
| Within one year | 3,80,441 | 10,25,400 |
| Later than one year, not later than Three years | 7,60,882 | 6,51,310 |
| Total | 11,41,323 | 16,76,710 |

Note No 30.

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

Note No 31.

There is a Contingent Liability of ₹398.97 Lacs in the form of Bank Guarantee and ₹2,375 Lacs in respect of LC and duty saved against advance license is ₹117.17 Lacs. LC Limit was utilized against the Trade Payable outstanding in Note No. 9.

Note No 32.

Details of pending Litigations are given below: -

| Amount in ₹ | | | |
|-------------------|---|-----------|--|
| Nature of Statute | Nature of Dues | Amount | Forum where dispute is pending |
| Income Tax Act | Income Tax Demand | 31,44,000 | ITAT, Delhi |
| Custom Act | Custom Duty Demand | 5,33,266 | Custom Authorities, Rajasthan |
| VAT | Vat Demand | 88,000 | VAT Authorities, Jammu |
| VAT | Vat Demand | 90,67,107 | Special Commissioner Deptt. Of Trade & Taxes, Rajasthan, |
| Income Tax Act | Income Tax Demand (A.Y. 2012-13) | 27,64,140 | Commissioner of Income Tax (A) IX, Delhi |
| Income Tax Act | Income Tax Demand (A.Y. 2013-14) | 4,02,480 | Commissioner of Income Tax (A) IX, Delhi |
| Income Tax Act* | Income Tax Demand (A.Y. 2012-13) (in the name of Sigma Plastic Industry) | 38,53,030 | Commissioner of Income Tax (A) XIV, Delhi |
| Income Tax Act* | Income Tax Demand (A.Y. 2013-14) (in the name of Sigma Plastic Industry) | 7,08,640 | Commissioner of Income Tax (A) XIV, Delhi |
| Excise* | Excise Duty Refund (in the name of Sigma Plastic Limited) | 31,24,983 | CESTET (Delhi) |
| Excise | Excise Duty Refund | 4,09,226 | CESTET (Delhi) |

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

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

Note No 33.

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

Note No 34.**Segment Reporting**

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

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

- ▶ Chemical Division
- ▶ Real Estate Division
- ▶ Agro Division
- ▶ Service 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.

Amount in ₹

| PARTICULARS | As at March 31, 2016 | As at March 31, 2015 |
|-----------------------------|----------------------|----------------------|
| Segment Revenue | | |
| Chemical Division | 30,715.20 | 19,312.47 |
| - Manufacturing | 23,912.92 | 15,588.12 |
| - Trading | 6,802.28 | 3,724.35 |
| Service Division | | 214.04 |
| Agro Division | | 1,449.04 |
| Real Estate Division | | 126.00 |
| Total | 30,715.20 | 21,101.55 |
| Segment Expenditure | | |
| Chemical Division | 26,139.08 | 18,040.84 |
| Service Division | | 96.14 |
| Agro Division | | 1,332.01 |
| Real Estate Division | | 121.56 |
| Total | 26,139.08 | 19,590.59 |
| Segment Results | | |
| Chemical Division | 5,043.10 | 1,454.05 |
| Service Division | | 117.90 |
| Agro Division | | 117.03 |
| Real Estate Division | | 4.44 |
| Total | 5,043.10 | 1,693.42 |
| Less : Interest | 1,133.54 | 1,071.13 |
| Profit before Tax | 3,925.67 | 622.29 |
| Capital Employed | | |
| Chemical Division | 6,358.23 | 4,062.83 |
| Real Estate Division | 266.16 | 266.16 |
| Total | 6,624.39 | 4,328.99 |
| Geographical Revenue | | |
| Domestic Revenue | 15,818.14 | 13,481.31 |
| Export Revenue | 14,897.06 | 7,620.24 |
| Total Revenue | 30,715.20 | 21,101.55 |

Segment revenue, results, assets and liabilities include amounts identifiable to each segment and amounts allocated on a reasonable basis based on their relationship to the operating activities of the segment.

Note No 35.

The Company had not received information from suppliers regarding their status under the "Micro, Small and Medium Enterprises Development Act 2006" and accordingly no disclosure regarding overdue outstanding of principal amount and interest thereon has been given.

Note No 36.

The Company has purchased Leasehold Land for sum of ₹3,02,57,276, at D-2/CH/401-402, Dahej – II, Industrial Estate, District Bharuch, Gujarat. The Company has made the payment of the same, and the registration of lease deed is registered in the name of the Company as on January 7, 2016. A leasehold rights- leasehold land is amortized over the remaining useful life.

The Company has also purchased Leasehold Land for sum of ₹1,56,91,100, at F 7 & 8 RIICO Industrial Area, Vigyan Nagar, Shahjahanpur Dist. Alwar, Rajasthan. The Company has made the payment of the same, and the registration of lease deed is registered in the name of the Company as on February 6, 2016. A leasehold rights- leasehold land is amortized over the remaining useful life.

Note No 37.

In the opinion of the Management of the Company, all Current Assets, Loans and Advances appearing in the balance sheet as at March 31, 2016 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet. Certain balances shown under current assets, current liability, loans and advances and balances with banks, are subject to confirmation / reconciliation.

Note No 38.

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

Note No 39.**Employees Benefit Obligation****I. Defined Contribution Plan**

During the year the Company has recognized the following amount in the statement of profit and loss under Employee benefit expense to provident fund under defined contributions plan of Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

| PARTICULARS | Year Ended March 31, 2016 | Year Ended March 31, 2015 |
|---|---------------------------|---------------------------|
| Employer's contribution to Provident Fund | 5,92,175 | 3,70,938 |

II. Defined Benefit Plan

Principal actuarial assumptions at the balance sheet date

| PARTICULARS | Year Ended March 31, 2016 | Year Ended March 31, 2015 |
|-------------------------------------|---|---------------------------|
| Retirement Age | 60 | 60 |
| Withdrawal Rates | | |
| Upto 30 Years | 3% | 3% |
| 31-44 Years | 2% | 2% |
| Above 44 Years | 1% | 1% |
| Discounting Rate | 7.80% | 7.80% |
| Expected rate of increase in salary | 6% | 6% |
| Mortality Table | | |
| | Indian Assured Live Maturity 2006-08 | – |

(A) Changes in the Present Value of Obligation

| PARTICULARS | Amount in ₹ | |
|---|---------------------------|---------------------------|
| | Gratuity | Gratuity |
| | Year Ended March 31, 2016 | Year Ended March 31, 2015 |
| Present Value of obligation as at the beginning of the Period | 17,04,743 | 13,76,240 |
| Interest Cost | 1,33,253 | 1,07,347 |
| Current Service Cost | 2,81,922 | 4,09,394 |
| Benefits Paid/accrued | | |
| Actuarial (gain)/loss on obligations | (12,28,114) | (1,88,238) |
| LC Premium | | 16,258 |
| Present value of obligation as at the End of the Period | 8,91,804 | 17,04,743 |

(B) Changes in the fair Value of Plan Assets

Nil

(C) Reconciliation of Present value of Defined Benefit Obligation and the Fair value of Assets

| PARTICULARS | Amount in ₹ | |
|--|---------------------------|---------------------------|
| | Gratuity | Gratuity |
| | Year Ended March 31, 2016 | Year Ended March 31, 2015 |
| Present Value of obligation as at the End of the period | 8,91,804 | 17,04,743 |
| Fair Value of Plan assets as at end of the Period | 3,86,179 | 3,55,046 |
| Un Funded Status | | |
| Unrecognized Actuarial (gains)/losses | | |
| Unfunded Net Assets/(liability) Recognize in Balance sheet | 5,05,625 | 13,49,697 |

(D) Expense recognized in the Statement of Profit and Loss

| PARTICULARS | Amount in ₹ | |
|---|---------------------------|---------------------------|
| | Gratuity | Gratuity |
| | Year Ended March 31, 2016 | Year Ended March 31, 2015 |
| Current Service Cost | 2,81,922 | 4,09,394 |
| Past Service Cost | | |
| Interest Cost | 1,33,253 | 1,07,347 |
| Curtailment Cost | (31,133) | (10,986) |
| Actuarial (gain)/Loss on obligations | (12,28,114) | (1,88,238) |
| Total Expenses recognized in the Statement of Profit & Loss | (8,44,072) | 3,17,517 |

(E) Constitution of Plan Assets**Movement in the liability recognized in the Balance sheet**

| PARTICULARS | For the period Ending | |
|---|-----------------------|----------------|
| | March 31, 2016 | March 31, 2015 |
| Present Value of obligation as at the beginning | 17,04,743 | 13,76,240 |
| Expenses Recognized in statement of Profit and Loss | (8,44,072) | 3,17,517 |
| Benefits Paid | - | - |
| Actual Return on Plan Assets | 31,133 | 10,986 |
| Acquisition Adjustments | - | - |
| Present Value of Obligation as at the end | 8,91,804 | 17,04,743 |

During the year ended March 31, 2016, the Company has made a provision of ₹8,91,804 in respect of provision for gratuity and defined benefits as per actuarial valuation made as per AS-15. The balance has been reversed & credited to the Profit and Loss A/c.

The Company has taken Group Gratuity Scheme for the employees from the LIC of India. Total Fund Value of the same is ₹3,86,179.

Note No 40.

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.

Note No 41.**Prior Period Items****Amount in ₹ Lacs**

| PATICULARS | As at March 31, 2016 | As at March 31, 2015 |
|---------------------------------------|----------------------|----------------------|
| Expenses:- | | |
| Legal & Professional charges | 31,390 | 1,14,106 |
| Provident Fund/ESIC | 81,069 | 39,609 |
| Rent | 0 | 63,000 |
| Freight charges | 1,500 | 15,05,228 |
| Custom Duty Expenses | 15,85,313 | - |
| General Exp | 53,004 | 1,02,829 |
| Loading Unloading Charges | 78,762 | 53,490 |
| Salary/Personal | 2,69,616 | 76,690 |
| Export Charges | 13,203 | 2,27,077 |
| Processing Fee | 1,03,050 | 0 |
| Insurance | 2,03,030 | 0 |
| Mess Expenses | 21,601 | 0 |
| Total | 24,41,538 | 21,82,029 |
| LME and Foreign Exchange Difference | 18,53,062 | 0 |
| Expert Incentive | 19,84,449 | 0 |
| VAT Refund | 2,15,606 | 0 |
| Total | 40,53,117 | 0 |
| Prior Period (Income)/Expenses | (16,11,579) | 21,82,029 |

Note No 42.

Disclosure in respect of Accounting Standard (AS) 18 "Related Party Disclosures" as notified under the Companies (Accounting Standards) Rules, 2006, as amended:

Names of related parties and description of relationship:

| Nature of Relationship | Name of Party |
|--------------------------------------|---|
| Company with Common Director | MM InfoSystems Private limited Moonlite Technochem Private Limited |
| Key Management Personnel | Mr. Vikas Garg (Managing Director) Mr. Vivek Garg (Whole Time Director) Mr. Ashutosh Kumar Verma (CEO & Whole Time Director) Mr. Pankaj Kumar Gupta (C.F.O) Ms. Gayatri Chawla (C.S.) |
| Relative of Key Management Personnel | Mr. Nand Kishore Garg, Mrs. Seema Garg, Mrs. Shashi Prabha Verma |
| Other Related Parties | Vikas Polymer (India) |

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

| Nature of Transaction | Amount in ₹ Lacs | | | |
|-------------------------------|------------------------------|----------------|-----------------------|-----------------|
| | Company with common Director | Kmp & Relative | Other Relates Parties | Total |
| Sales | 813.57 | - | 21.37 | 834.94 |
| Purchase | 1,129.03 | - | 740.09 | 1,869.12 |
| Advance against Capital Goods | 2.20 | - | - | 2.20 |
| Rent Paid | - | 3.44 | - | 3.44 |
| Director Remuneration | - | 22.80 | - | 22.80 |
| Salary to KMP | - | 13.01 | - | 13.01 |
| Salary | - | 6 | - | 6 |
| Reimbursement | - | - | - | - |
| Total | 1,944.80 | 45.25 | 761.46 | 2,751.51 |

| PARTICULARS | Amounts (in ₹) |
|---|-----------------|
| A. FIXED ASSETS | |
| Assets Purchased during the year | |
| Related party (in form of Takeover of Sigma Plastic Industries) | - |
| Assets Sold during the year | |
| Related party | - |
| B. NON CURRENT INVESTMENT | |
| Subsidiaries | |
| Opening Balance | - |
| Disposed off during the year | - |
| Closing Balance | - |
| Associates | |
| Opening Balance | - |
| Purchased/Subscribed during the year | - |
| Withdraw/Merged During the year | - |
| Closing Balance | - |
| C. TRADE RECEIVABLES AS ON MARCH 31 | |
| Subsidiaries | - |
| Associates | - |
| Other Related Party | - |
| D. ADVANCES TO SUPPLIERS GIVEN AS ON MARCH 31 | |
| Subsidiaries | - |
| Associates | - |
| Other Related Party | 40,30,684 |
| E. ADVANCES RECEIVED FROM CUSTOMER AS ON MARCH 31 | |
| Subsidiaries | - |
| Associates | - |
| Other Related Party | - |
| F. TRADE PAYABLE AS ON MARCH 31 | |
| Subsidiaries | - |
| Associates | - |
| Other Related Party | 58,16,291 |
| G. REVENUE FROM OPERATION AS ON MARCH 31 | |
| Subsidiaries | - |
| Associates | - |
| Other Related Party | 8,34,94,388 |
| H. CORPORATE GURANTEES GIVEN AS ON MARCH 31 | |
| Subsidiaries | - |
| Associates | - |
| 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.

Note No 43.**Earnings Per Share:-**

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

| PATICULARS | Amount in ₹ | |
|--|----------------------|----------------------|
| | As at March 31, 2016 | As at March 31, 2015 |
| Net Profit/(Loss) After Tax as per Profit & Loss Account (in ₹)* | 25,53,42,219 | 3,78,58,361 |
| Weighted average no of shares outstanding during the year | 25,42,39,675 | 25,42,39,675 |
| Basic and diluted Earnings Per Share (in ₹)** | 1.00 | 0.15 |
| Nominal value per Equity Share (in ₹) | 1 | 1 |

Note No 44.**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 Asset (net) in the Profit and Loss Account of ₹17,83,319 (Previous year ₹36,43,842) during the year ended March 31, 2016.

The breakup of Deferred Tax Assets into major components as at March 31, 2016 is as under:

| PATICULARS | As at March 31, 2016 | As at March 31, 2015 |
|---|----------------------|----------------------|
| Deferred Tax Liabilities | | |
| Arising on account of temporary differences due to: | | |
| Excess of Book WDV of Fixed Assets over Tax WDV of Fixed Assets | 17,14,575 | (68,562) |
| Total | 17,14,575 | (68,562) |

Note No 45.

In the AGM of the Company held on September 28, 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 broad 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 May 7, 2012 (NSE) and May 2, 2012 (BSE). The Compensation Committee at its meeting held on June 2, 2012 has granted Stock Option to the eligible employees and accordingly the options 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.

The Employee Stock Options granted by the Company pursuant to its ESOP Scheme, 2011, lapsed on December 1, 2015. No employee opted for ESOP during the year under consideration. consequent to effect of lapse of options, the balance of ₹1,05,03,337 appearing in Employee Stock Option Reversal account has been reversed and shown as under the head, Employee Stock Option Compensation account under "Other Income", Consequent to the same, Other income has been increased and corresponding increase in profit for the year by ₹1,05,03,337.

Note No 46.

The company does not see any material foreseeable losses on any long term contracts entered by the company, therefore no provision is required in this respect. Further the Company has not entered into any foreign exchange derivative instruments during the year under consideration.

Note No 47.

The unit at Bawana (Delhi) and unit at Sitarganj (Uttarakhand) have been shifted in the manufacturing unit at Shajahanpur, (Rajasthan).

1. In the unit at Bawana (Delhi) wherein two products namely PVC Compounds and V-blend (SOE Compound) are being manufactured (Shifted to Rajasthan Unit 1 w.e.f. February 1, 2016).
2. In the unit at Sitarganj (Uttarakhand) wherein products like V-PET-C (PET-Compound) is being manufactured (Shifted to Rajasthan Unit 1 w.e.f. February 1, 2016).

Note No 48.

Corporate Social Responsibility

The Company is covered u/s 135 of Companies Act 2013, the details of the expenditure on corporate social responsibility activity is as under:

- a. Gross amount required to be spent by the Company during the year: ₹7,02,214
- b. Amount spent during the year: ₹15,00,000

Note No 49.

Additional information to the extent applicable are as follows:-

A. Managerial remuneration

| Amount in ₹ | | |
|---|----------------------|----------------------|
| PATICULARS | As at March 31, 2016 | As at March 31, 2015 |
| Salaries | 22,80,000 | 15,18,000 |
| Employer's Contribution to Provident Fund | - | - |
| Total | 22,80,000 | 15,18,000 |

B. Auditors remuneration

| Amount in ₹ | | |
|------------------------|----------------------|----------------------|
| PATICULARS | As at March 31, 2016 | As at March 31, 2015 |
| Audit Fees & Tax Audit | 5,50,000 | 5,50,000 |
| Service Tax | 79,750 | 0 |

C. Expenses incurred in foreign currency during the year ended March 31, 2016 aggregates to

| Amount in ₹ | | |
|-----------------------|----------------------|----------------------|
| PATICULARS | As at March 31, 2016 | As at March 31, 2015 |
| Expenditures:- | | |
| Purchase | 31,13,22,520 | 51,55,06,231 |
| Foreign Travelling | 13,86,738 | 16,11,335 |
| Interest Expenses | 3,49,325 | 1,19,365 |
| Total | 31,30,58,223 | 51,72,36,931 |

D. CIF value of imports

| Amount in ₹ | | |
|----------------------------------|----------------------|----------------------|
| PATICULARS | As at March 31, 2016 | As at March 31, 2015 |
| Raw Material Purchased | 28,74,55,575 | 51,53,64,428 |
| Capital Goods (Including Spares) | 2,38,66,945 | 1,41,803 |
| Total | 31,13,22,520 | 51,55,06,231 |

E. CIF value of export (in foreign currency) made during the year included in the sales amounting ₹131,41,36,473

(Previous Year: ₹76,20,23,719)

F. Activity in foreign currency during the year ended March 31, 2016 aggregates to

Amount in ₹

| PATICULARS | As at March 31, 2016 | As at March 31, 2015 |
|----------------------|-----------------------|----------------------|
| Expenditures: | | |
| Purchase | 31,13,22,520 | 51,55,06,231 |
| Foreign Travelling | 13,86,738 | 16,11,335 |
| Interest Expenses | 3,49,325 | 1,19,365 |
| Total | 31,30,58,223 | 51,72,36,931 |
| Earnings: | | |
| Sale of Goods | 1,31,41,36,473 | 76,20,23,719 |
| Total | 1,31,41,36,473 | 76,20,23,719 |

G. Details of foreign currency fluctuation gain for the year ended March 31, 2016 aggregates to

Amount in ₹

| PATICULARS | As at March 31, 2016 |
|--------------|----------------------|
| Purchase | 15,12,744 |
| Sales | 2,45,90,916 |
| Bank Balance | -2,02,97,342 |
| Total | 58,06,318 |

Note No 50.

Disclosures as required by Clause 32 of the Listing Agreement

Amount in ₹

| PATICULARS | As at March 31, 2016 | As at March 31, 2015 |
|---|----------------------|----------------------|
| A. LOANS AND ADVANCES | | |
| - | - | - |
| B. CONSUMPTION OF RAW MATERIAL | | |
| Raw Material Consumed | 1,72,93,91,614 | 1,24,50,73,411 |
| C. DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS STOCK | | |
| Imported | 58,62,32,416 | 46,60,22,631 |
| Indigenous | 1,14,31,59,198 | 77,90,50,780 |
| D. EARNING IN FOREIGN EXCHANGE | | |
| Sale of Goods | 1,31,41,36,473 | 76,20,23,719 |

Note No 51.

Quantitative Details of Major material consumed in Manufacturing

(In Kgs)

| PARTICULARS | Opening Stock | Purchases | Closing Stock | Consumption |
|-----------------------------|------------------|--------------------|------------------|--------------------|
| Raw Material | | | | |
| Tin Alloy/Inogts | 30,731 | 3,44,210 | 51,879 | 3,23,061 |
| 2 Ethyl hexyl Thioglycolate | 34,526 | 2,40,652 | 81,145 | 1,94,034 |
| Tin mate | - | 1,24,471 | 1,680 | 1,22,791 |
| Hydrogen Peroxide | 37,616 | 2,87,800 | 1,03,203 | 2,22,213 |
| RSO (Refined Soyabean Oil) | 760 | 6,65,175 | 10,521 | 6,55,414 |
| PVC Resin | 85,000 | 50,22,975 | 9,66,006 | 41,41,969 |
| Styrene Butadiene Copolymer | 7,040 | 10,41,790 | 48,261 | 10,00,569 |
| Styrene Butadiene Styrene | 1,32,176 | 16,71,031 | 11,726 | 17,91,481 |
| Methyl Chloride (Gas) | 10,910 | 63,580 | 15,476 | 59,014 |
| Others | 16,01,701 | 2,01,13,554 | 25,24,538 | 1,91,90,717 |
| Total | 19,40,459 | 2,95,75,239 | 38,14,436 | 2,77,01,262 |

Quantitative Details of Traded Goods

| PARTICULARS | Opening Stock | Inwards | Outwards | Closing Stock | Stock Transfer / Shortage |
|-----------------------------|------------------|--------------------|--------------------|-------------------|---------------------------|
| Industrial Chemicals- 2EHTG | 0 | 32000 kgs | 32000 kgs | | 32000 kgs |
| Pet Resin | 88000 kgs | 516000 kgs | 604000 kgs | 0 | 145000 kgs |
| Plastic Granuals | - | 2883800 kgs | 2883800 kgs | 0 | 0 |
| PVC Resin | - | 3838975 kgs | 3498975 kgs | 340000 kgs | 312000 kgs |
| Tin Ingots | - | 250840 kgs | 240820 kgs | 10020 kgs | 240820 kgs |
| Other | - | 1141795 kgs | 1141795 kgs | | 445795 kgs |
| Grand Total | 88000 kgs | 8663410 kgs | 8401390 kgs | 350020 kgs | 1175615 kgs |

Note No 52.

Borrowing Cost:

There is no borrowing cost that is attributable to acquisition or development of qualifying tangible/intangible assets, which is to be capitalized till the date they are put to use.

For R S P H AND ASSOCIATES

Chartered Accountants
(FRN: 003013N)

TARUN KUMAR BATRA

Partner
Membership No.: 094318

Place: NEW DELHI
Date: May 23, 2016

For and on behalf of the Board of Directors

VIKAS GARG
(MANAGING DIRECTOR)
00255413

SUMER CHAND TAYAL
(DIRECTOR)
00255661

SIDDHARTH AGRAWAL
(COMPANY SECRETARY)

ASHUTOSH KUMAR VERMA
(CHIEF EXECUTIVE OFFICER)

PANKAJ KUMAR GUPTA
(CHIEF FINANCIAL OFFICER)



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