

23rd Annual Report



inspires growth

VIKAS PROFIN LIMITED



inspires growth

BOARD OF DIRECTORS

Dr. Nand Kishore Garg	Chairman & Managing Director
Purshottam Dass Bhoot	Director
Sumer Chand Tayal	Director
Vikas Garg	Director
B. B. Tandon	Director w.e.f. 25th July 2008,
P. K. Banerji	Director w.e.f. 25th July 2008,
Mukesh Aggarwal	Director w.e.f. 25th July 2008,
Vivek Garg	Director w.e.f. 25th July 2008,
Namrata Sharma	Company Secretary
Registered Office of the Company	34/1, Vikas House East Punjabi Bagh, New Delhi-110026
Manufacturing Plants	Jammu & Kashmir SIDCO Industrial Complex, IGC Samba, Jammu-184 121 Rajasthan G-30, Vigyan Nagar, RIICO Indl. Area, Shahjahanpur, Teh. Behror, Distt. Alwar, Rajasthan
Statutory Auditors	M/s R. K. Batra & Company (Chartered Accountants) 906, Vikram Tower, Rajendra Place, New Delhi-110008
Share Transfer Agents	M/s. Alankit Assignment Ltd. Alankit House 2E/21, Jhandewalan Extension New Delhi - 110 015
Stock Exchange Listing	The Delhi Stock Exchange Ltd. Bombay Stock Exchange Ltd.
Bankers	The Karnataka Bank Limited (Overseas Branch) Choudhary Building Connaught Place New Delhi – 110 001
Email	vikasprofin@vikasgroupind.com

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NOTICE

NOTICE is hereby given that the TWENTY THIRD Annual General Meeting of the Members of VIKAS PROFIN LIMITED will be held on Saturday, 6th December, 2008 at 11:30 A.M. at HARYANA MAITRI BHAWAN, Pitam Pura, New Delhi-110088 to transact the following business:

ORDINARY BUSINESS

ITEM NO. 1

To receive, consider and adopt the Audited Balance Sheet as at 31st March 2008 and the Profit & Loss Account of the Company for the year ended on that date together with reports of Directors and Auditors.

ITEM NO. 2

To appoint a Director in place of Shri. Nand Kishore Garg who retires by rotation and being eligible offers himself for re-appointment.

ITEM NO. 3

To appoint a Director in place of Shri. Sumer Chand Tayal who retires by rotation and being eligible offers himself for re-appointment.

ITEM NO. 4

To appoint the Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration and for that purpose to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**.

“RESOLVED THAT M/s R K Batra & Company, Chartered Accountants, be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company and the Board of Directors be and is

hereby authorized to fix their remuneration for the said period.”

SPECIAL BUSINESS

ITEM NO. 5

APPOINTMENT OF SHRI VIVEK GARG AS DIRECTOR OF THE COMPANY

To consider and if thought fit to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**

“RESOLVED THAT Shri Vivek Garg who was appointed by the Board of Directors as an Additional Director on the 25th July, 2008 and who holds office upto the forthcoming Annual General Meeting of the Company pursuant to section 260 of the Companies Act and in respect of whom a notice has been received under section 257 of the Act proposing his candidature for the office of the Director of the Company, be and is hereby appointed as the Director of the Company liable to retire by rotation.”

ITEM NO. 6

APPOINTMENT OF SHRI B B TANDON AS DIRECTOR OF THE COMPANY

To consider and if thought fit to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**

“RESOLVED THAT Shri B B Tandon who was appointed by the Board of Directors as an Additional Director on the 25th July, 2008 and who holds office upto the forthcoming Annual General Meeting of the Company pursuant to section 260 of the Companies Act and in respect of whom a notice has been received under section 257 of the Act proposing his candidature for the office of the Director of the Company, be and is hereby appointed as the Director of the Company liable to retire by rotation.”

ITEM NO. 7

APPOINTMENT OF SHRI P K BANERJI AS DIRECTOR OF THE COMPANY

To consider and if thought fit to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**

“RESOLVED THAT Shri P K Banerji who was appointed by the Board of Directors as an Additional Director on the 25th July, 2008 and who holds office upto the forthcoming Annual General Meeting of the Company pursuant to section 260 of the Companies Act and in respect of whom a notice has been received under section 257 of the Act proposing his candidature for the office of the Director of the Company, be and is hereby appointed as the Director of the Company liable to retire by rotation.”

ITEM NO. 8

APPOINTMENT OF SHRI MUKESH AGGARWAL AS DIRECTOR OF THE COMPANY

To consider and if thought fit to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**

“RESOLVED THAT Shri Mukesh Aggarwal who was appointed by the Board of Directors as an Additional Director on the 25th July, 2008 and who holds office upto the forthcoming Annual General Meeting of the Company pursuant to section 260 of the Companies Act and in respect of whom a notice has been received under section 257 of the Act proposing his candidature for the office of the Director of the Company, be and is hereby appointed as the Director of the Company liable to retire by rotation.”

ITEM NO. 9

ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY

To consider and, if thought fit, to pass with or

without modification(s) the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and is hereby altered by deleting the existing Article No. 87 (1) and substituted by the following Article 87 (1):

“The Board of Directors of the Company shall from time to time decide the sitting fees payable to the Directors of the Company for attending the Board meeting or Committee thereof subject to the ceiling as may imposed by the Central Government from time to time.”

ITEM NO. 10

CHANGE OF NAME OF THE COMPANY

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of section 21 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government the name of the Company be changed from “Vikas Profin Limited” to “Vikas GlobalOne Limited”.

FURTHER RESOLVED THAT the name “Vikas Profin Limited” wherever appearing in the Memorandum and Articles of Association of the Company be replaced with the new name “Vikas GlobalOne Limited”.”

By order of the Board

Dr. Nand Kishore Garg
Chairman & Managing Director

Place New Delhi

Date 31ST October, 2008

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY. A PROXY NEED NOT TO BE MEMBER THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT LEAST 48 HOURS BEFORE THE MEETING.**

2. The register of Members and Share Transfer Books will remain closed from Friday, the 28th November, 2008 to Saturday, the 6th December, 2008 (both days inclusive) for the purpose of Annual General Meeting.

3. The Company has received the approval of the Registrar of Companies, NCT of Delhi & Haryana under sub section (1) of section 166 of the Companies Act, 1956 for the extension of time for holding the Annual General Meeting of the Company.

4. M/s Alankit Assignment Ltd., Corporate Office at 'Alankit House' 2E/21, Jhandewalan Extension, New Delhi-110015 is the Registrar and Share Transfer Agent of the Company for physical shares as well as depository interface with NSDL and CDSL.

5. Members are requested to intimate to the Company queries, if any, regarding these Accounts / Notice at least 7 days before the meeting to enable the management to keep the information ready at the meeting.

6. Members are requested to bring their copies of the Annual Report to the meeting and the Attendance Slip duly filled-in for attending the meeting.

7. In case you wish to avail the nomination facility in respect of shares held by you please write to the Company for the nomination form.

8. Members who are holding shares in more than one folio are requested to write to the Company to enable the company to consolidate their holdings in one folio.

9. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the registered office on all working days except Saturdays, Sundays and Holidays between 11:00AM and 1:00PM upto the date of Annual General meeting.

10. Members Companies / Organization are request to send a copy of the resolution authorizing their representation to attend and vote at the Annual General Meeting.

11. Members are requested to promptly notify to the Company any change in their addresses.

12. In terms of Section 109(A) of the Companies Act 1956, the share holder of the Company may nominate a person to whom the shares held by him shall vest in the event of his death.

13. Explanatory statement pursuant to section 173(2) of the Companies Act 1956 is annexed with the notice.

By order of the Board

Dr. Nand Kishore Garg
Chairman & Managing Director

Place New Delhi

Date 31ST October, 2008

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

As required under section 173 of the Companies Act, 1956, the following explanatory statement sets out the matter in relation to item no. 5, 6, 7, 8, 9 and 10 of the accompanying notice dated 31st October, 2008.

ITEM NO. 5

Shri Vivek Garg was appointed as the Additional Director of the Company with effect from 25th July, 2008. As per the provisions of section 260 of the Companies Act, 1956, the above Director holds office upto the date of ensuing Annual General Meeting of the Company, and is eligible for reappointment. The Company has received notice under section 257 of the Companies Act, 1956, in respect of the candidate, proposing his appointment as Director of the Company. Shri Vivek Garg is a commerce graduate having experience of more than ten years in the industry. He is also engaged in activities pertaining to real estate development. Keeping in view his experience and expertise, his appointment as Director of the Company is recommended. The office of Shri Vivek Garg shall be liable to retirement by rotation.

A brief profile of Shri Vivek Garg, his nature of expertise in specific functional areas with his directorship in other companies, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in report on corporate governance forming part of the Annual Report.

Shri Vivek Garg, is not disqualified to act as Director of the Company in terms of section 274 (1) (g) of the Companies Act and has obtained a Director Identification Number as per the requirements of the Act. The Company has further received a notice from Shri Vivek Garg stating that he is not disqualified to act as Director in terms of Companies (Disqualification of Directors) Rules, 2003 confirming his eligibility for such appointment.

Your Directors recommend Ordinary Resolution for the approval of the members.

Save and Except Shri Nand Kishore Garg, Shri Vikas Garg and Shri Vivek Garg, none of the Directors are said to be interested in the resolution.

ITEM NO. 6

Shri B B Tandon was appointed as the Additional Director of the Company with effect from 25th July, 2008. As per the provisions of section 260 of the Companies Act, 1956, the above Director holds office upto the date of ensuing Annual General Meeting of the Company, and is eligible for reappointment. The Company has received notice under section 256 of the Companies Act, 1956, in respect of the candidate, proposing his appointment as Director of the Company.

Shri B B Tandon has done Post Graduation in Economics and LLB (Bachelor of Laws) from University of Delhi. He has also been certified by the Indian Institute of Bankers with additional subjects of Co-operation and Industrial finance. He has also served as Election and Chief Election Commissioner of India. He was also a member of the Securities and Exchange Board of India. Keeping in view his enriched expertise and knowledge, it will be in the interest of the Company that Shri B B Tandon be appointed as Director of the Company, who if appointed, shall be liable to retire by rotation in accordance with the Articles of Association of the Company.

A brief profile of Shri B B Tandon, his nature of expertise in specific functional areas with his directorship in other companies, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in report on corporate governance forming part of the Annual Report.

Shri B B Tandon, is not disqualified to act as Director of the Company in terms of section 274 (1) (g) of the Companies Act and has obtained a Director Identification Number as per the requirements of the Act. The Company has further received a notice from Shri B B Tandon stating that he is not disqualified to act as Director in terms of Companies (Disqualification of Directors) Rules, 2003 confirming his eligibility for such appointment.

Your Directors recommend Ordinary Resolution for the approval of the members.

Save and except Shri B B Tandon, none other Directors are interested in the resolution.

ITEM NO. 7

Shri P K Banerji was appointed as the Additional Director of the Company with effect from 25th July, 2008. As per the provisions of section 260 of the Companies Act, 1956, the above Director holds office upto the date of ensuing Annual General Meeting of the Company, and is eligible for reappointment. The Company has received notice under section 257 of the Companies Act, 1956, in respect of the candidate, proposing his appointment as Director of the Company.

Shri P K Banerji has served the Government of India for about 20 years and Government of West Bengal for about 16 years. He has also been awarded Padma Shri in 1972 for his outstanding public service. He has also been awarded Medal of Honour by the then soviet Chamber of commerce and Industry in 1984 for outstanding contribution in promoting bilateral economic co-operation. Keeping in view his enriched expertise and knowledge, it will be in the interest of the Company that Shri P K Banerji be appointed as Director of the Company, who if appointed, shall be liable to retire by rotation in accordance with the Articles of Association of the Company

A brief profile of Shri P K Banerji, his nature of expertise in specific functional areas with his

directorship in other companies, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in report on corporate governance forming part of the Annual Report.

Shri P K Banerji, is not disqualified to act as Director of the Company in terms of section 274 (1) (g) of the Companies Act and has obtained a Director Identification Number as per the requirements of the Act. The Company has further received a notice from Shri P K Banerji stating that he is not disqualified to act as Director in terms of Companies (Disqualification of Directors) Rules, 2003 confirming his eligibility for such appointment.

Your Directors recommend Ordinary Resolution for the approval of the members.

Save and except Shri P K Banerji, none other Directors are interested in the resolution.

ITEM NO. 8

Shri Mukesh Aggarwal was appointed as the Additional Director of the Company with effect from 25th July, 2008. As per the provisions of section 260 of the Companies Act, 1956, the above Director holds office upto the date of ensuing Annual General Meeting of the Company, and is eligible for reappointment. The Company has received notice under section 256 of the Companies Act, 1956, in respect of the candidate, proposing his appointment as Director of the Company.

Shri Mukesh Aggarwal is a fellow member of the Institute of Chartered Accountants of India and having vast knowledge of finance. He has in-depth knowledge in the financial sector and can provide valuable support to strengthen the operational management of the Company. Keeping in view his enriched expertise and knowledge, it will be in the interest of the Company that Shri Mukesh Aggarwal be appointed as Director of the Company, who if appointed, shall be liable to retire by rotation in accordance with the Articles of Association of the

Company.

A brief profile of Shri Mukesh Aggarwal, his nature of expertise in specific functional areas with his directorship in other companies, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in report on corporate governance forming part of the Annual Report.

Shri Mukesh Aggarwal, is not disqualified to act as Director of the Company in terms of section 274 (1) (g) of the Companies Act and has obtained a Director Identification Number as per the requirements of the Act. The Company has further received a notice from Shri P K Banerji stating that he is not disqualified to act as Director in terms of Companies (Disqualification of Directors) Rules, 2003 confirming his eligibility for such appointment.

Your Directors recommend Ordinary Resolution for the approval of the members.

Save and except Shri Mukesh Aggarwal, none other Directors are interested in the resolution.

ITEM NO. 9

Presently the Articles of Association of the Company provides for the payment of sitting fee to the Directors of the Company not exceeding Rs.250/- (Rupees two hundred fifty only) per director for each meeting attended. It is proposed to enhance the sitting fee in accordance with the limits laid by the Central Government in this regard for each meeting of the Board or committee thereof.

All the Directors of the Company would be deemed to be interested in passing the said resolution.

ITEM NO. 10

The Company has completed the process of amalgamation and as per Scheme of Amalgamation the Company has to carry on the business of all the transferor companies as well as of its own. So the Directors of the Company have

decided to change the name of the Company showing all the activities of the company as the Company may carry on. The Board has chosen the new name as "Vikas GlobalOne Limited" showing the activities of the business in multiple area. Also the application in this regard was duly placed before the Registrar of Companies for availability of name and the same was approved by the Registrar of Companies, NCT of Delhi & Haryana as "Vikas GlobalOne Limited". In the opinion of the Board of Directors the new name would show multiple business activities and would be in the interest of the Company. As per section 21 of the Companies Act, 1956 the name of the Company can be changed by passing the special resolution so the Directors of your company has recommended for passing of the necessary special resolution as mentioned in the notice.

None of the directors of the Company is concerned or interested in the above resolution except as a member of the Company.

By order of the Board

Dr. Nand Kishore Garg
Chairman & Managing Director

Place New Delhi

Date 31ST October, 2008

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW 2007-08

Value Creation

The merger of Hulchul International Private Limited (HIPL), Vikas Utilities Private Limited (VUPL) and South Delhi Projects Private Limited (SDPPL) (Transferor Companies) with Vikas Profin Limited (VPL) (Transferee Company) has been completed.

As per the approval of the Hon'ble High Court of Delhi all the assets and liabilities of the transferee companies have been transferred to Vikas Profin Limited w.e.f. 1st April, 2007.

Following the merger, Vikas Profin Limited along with its registered office at New Delhi will have manufacturing facilities in the state of Rajasthan and Jammu & Kashmir as the existing manufacturing facilities at Rajasthan, which were under the group concern, M/S Vikas Utilities Private Ltd has come to the fold of Vikas Profin Limited. Moreover, the Company is about to set up manufacturing plant at SIDCO Industrial Complex, IGC Sambha, Jammu (J & K), which is a well-developed industrial area having the required infrastructure. The unit is expected to commence production in January 2009.

Financial Performance

During the year several benchmarks for sales, profits, net worth etc were set up by the Company. The merger of the Company will result in new growth momentum across all its businesses and markets. Also during the year ended March 2008 the earnings of the Company before interest, depreciation etc. was of Rs. 165.95 lacs as compared to the previous year Rs. 20.52 lacs. Also the profits of the Company before tax were Rs. 39.12 lacs as against Rs. 13.29 lacs in the previous year. The Company is further focusing on various other factors for accelerating growth such as:

strengthening business in existing markets and optimizing efforts across the entire Company.

Post merger Operations

The post amalgamation core business operations will revolve round plastics and Chemicals segment. It will include manufacturing as well as import and distribution of TPR, EVA, PVC and Plastic Compounds. Vikas Profin Limited intends to restrict their earlier exposure in real estate segment and shall now onwards be focusing on the trading and manufacturing segment of the newly setup plants. The real estate segment shall be auxiliary/supplementary to the core business and shall add to bottom line and consolidate the financial condition of the company down the line.

The Company will further expand its activities in the field of manufacturing. It has selected to foray in manufacturing of PVC heat stabilizers in technical collaboration with Chinese Company and install Pet washing and Recycling plant. The manufacturing of PVC stabilizers will be operative under Jammu Plant and the pet recycling plant will be located at Rajasthan

The merger will also enable the group to integrate its resources and will be in commanding position to expand its existing business line and improve the bottom line by achieving operational efficiencies and economies of scale. The merger will result in:

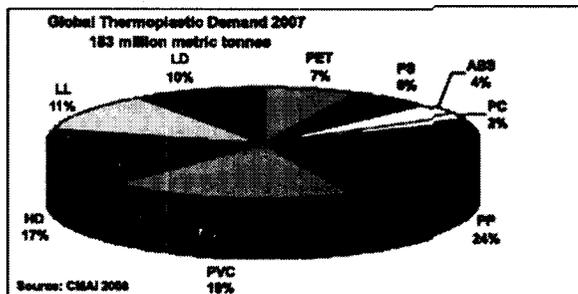
- Greater size and strength to listed entity of the group
- Instantaneous growth, snuffing competition & increased market share
- Enhancement in capabilities and capacities;
- Leveraging of Human and Physical resources of the companies
- Tax Benefits

Outlook

The long term outlook for the industry continues to be bright. Global demand for plastics is growing at around 3.5% p.a. while demand in India is expected to show double digit growth in the current year. The Company's expanded capacity of plastics has been fully absorbed in the domestic market. The domestic demand for plastics continues to outstrip the domestic capacity.

General Market Overview

Consumption of major thermoplastics in 2007-08 was at 183 mln tons globally. Polyethylene, comprising of High-density Polyethylene (HDPE), Linear Low-density Polyethylene (LLDPE) and Low-density Polyethylene (LDPE) constitute about 38% of major thermoplastics usage followed by Polypropylene (PP) 24% and Polyvinyl Chloride (PVC) 19%.



Combined global demand for PE, PP and PVC was estimated at 148 mln tons during 2007, growing at 5.5%. This growth was mainly driven by LLDPE (6.0%), PP (5.8%) and HDPE (5.6%). Developing countries such as China and India have contributed significantly to global demand growth. PP, HDPE and LLDPE would continue to lead demand growth for polymers in the future. Overall demand growth is expected to be around 5.3%, marginally behind the capacity growth of 5.4% during the same period. Aggregate consumption of PE, PP and PVC in India crossed 5 mln tons in 2007-08, registering an impressive growth of 15%. This was achieved despite a high price environment with product

pricing in some cases on a 15-year high. The demand growth is attributed mainly to demand in packaging, injection molded components (used in the automotive and appliances sectors), pipes used in agriculture and infrastructure development, flexible packaging as well as bulk packaging. Demand is expected to remain firm in the near term.

Polymer	2006-07	2007-08
PP	1,641	1,712
PE	1,011	1,083
PVC	562	579
Total	3,214	3,374

Market Scenario - Poly Vinyl Chloride (PVC) business in 2007-08

Global PVC demand grew in excess of 5% in 2007 to around 35.3 mln tons. China, with a 10 mln tons demand in 2007 is the single largest market for PVC both in terms of volume and growth rate. North America accounts for around 23% of global GDP demand. A slowdown in US GDP could have some impact on demand. However, housing slowdown in the US could have limited impact on global PVC demand since growth in building, construction and infrastructural development in the developing world would compensate for this slowdown. Global PVC capacity is expected to reach 50 mln tons from the current 42 mln tons over the next 5 years. In 2007, 2.3 mln tons of capacity was added. Of this China alone added 2.1 mln tons of new capacity based on Carbide process. PVC capacity in China in 2007 was 12.5 mln tons and is expected to reach 17.5 mln tons in 2012. More than 85% of this incremental 5 mln tons would be carbide based. PVC consumption in India was 1.4 mln tons in 2007-08, a growth of 12% over the previous year. Pipes and fittings continued to be the major sector accounting for 70% of domestic PVC demand. PVC is a major product for infrastructure sector. Pipes for transportation of water for irrigation, drinking water, various sewerage applications, profiles for building industry, wire and cable require PVC as raw material. This has

resulted in PVC demand mimicking growth of infrastructure sector in a significant way. With increasing emphasis and higher budgetary outlays on infrastructure and housing, health and hygiene, PVC consumption is expected to grow in the coming years. Due to stagnant domestic capacity and increasing domestic demand, local manufacturers have imported and augmented its supply.

Global Future of Plastics

Global Plastic Consumption is projected to go up to 150 MMT. by 2010

World packaging consumption: By 2009, Rigid plastics global consumption will be US\$ 120 bn. and Flexible plastics global consumption will be US \$70 bn. With this global consumption of plastics in packaging will be US \$ 190 bn & 2nd to Paper and Board, exceeding US \$210 bn.

Opportunities in India

The Indian Plastics Industry has been growing at a phenomenal rate of 15% over the years and with its true potential harnessed, it is all set to reach the 12.5 MMT consumption mark, making India the 3rd largest consumer of plastics by 2010. To match this figure, India would require 30,000 new machines and around US \$ 9.5 billion of project investment.

Business Review

The Polyvinyl Chloride (PVC) is one of the most versatile plastics used in many applications ranging from medical tubing to automotive to agriculture and construction industry

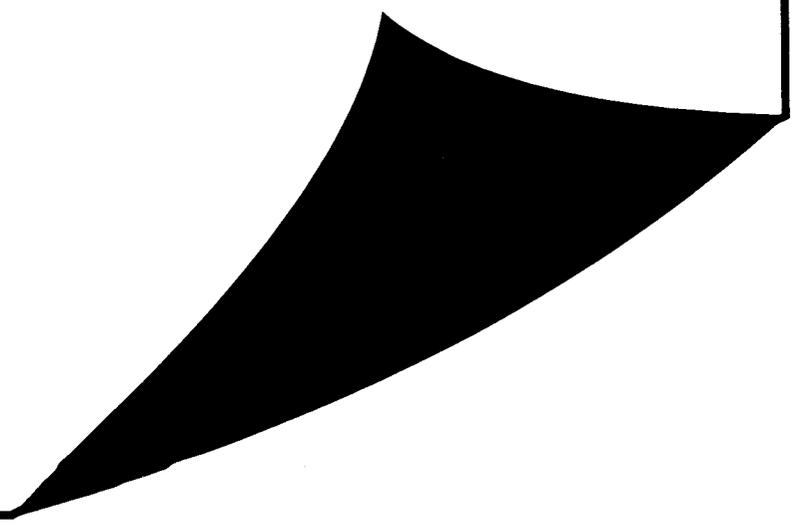
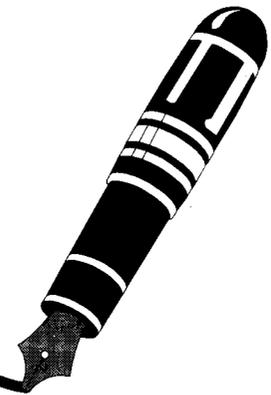
The PVC additives are also equally important and the consumption of PVC and additives go hand in hand forecasting the bright future for this industry as a whole. The Vikas Group has focused on the additives used in PVC as well as in other commodity plastics. The usage of calcite as a filler in PVC & plastic industry has got vast scope. Keeping in view the entire scenario, we have

installed two state of the art plants at Shahzahanpur, Rajasthan, and further expansion program is on the anvil for ultra hi-tech machinery and by doing so our annual capacity will be increased to 50,000 MT per annum from the current capacity of 20,000 MT.

Second additives in focus are different types of Heat Stabilizers for PVC with an installed capacity of 2000 MT of Tin and 5000 MT of Lead and other mixed metal based.

As per another estimate the market for recycling materials will also grow with steady rate and keeping in view the growth prospects of this segment, the management in Vikas Group has also planned a re-cycling unit for PET bottles of 6000 MT per annum capacity.

Director's
Report



DIRECTOR'S REPORT

To the Members,

Yours Directors have pleasure in presenting the Twenty Third Annual Report and Audited Accounts of the Company for the year ended 31st March 2008.

FINANCIAL PERFORMANCE

Particulars	Rs. In Lacs For the year ended 31st March, 2008	Rs. In Lacs For the year ended 31st March, 2007
Earnings Before Interest, Tax, Depreciation & Appropriations	165.95	20.52
Depreciation	26.64	7.23
Operating Profit	139.31	13.29
Interest	100.19	---
Earnings Before Tax	39.12	13.29
Less : Provision for Income Tax	35.28	5.70
less : Provision for Deferred Tax Liability	(34.34)	(9.14)
Less : Provision for Fringe Benefit Tax	1.43	---
Less : Provision for Sub Standard Assets	(38.7)	(10.78)
Less : Short provision for I Tax	0.26	0.29
	75.19	27.23

REVIEW OF OPERATIONS

The Hon'ble High Court of Delhi has accorded its consent to the amalgamation petition of Vikas Profin Limited (Transferee Company) with Hulchul International Private Limited, Vikas Utilities Private Limited and South Delhi Projects Private Limited (Transferor companies) vide order no.18457/I dated 17th October, 2008. As the financial statements of all the companies have been consolidated. The post merger statements depict earnings of Rs 165.95 Lacs for the year ended 31st March, 2008. Profit before tax of the Company has increased to Rs. 39.12 Lacs as compared to previous year of Rs. 13.29 Lacs. Also the directors of the Company are hopeful of achieving good results in years to come.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion & Analysis Report for the year under review as stipulated in terms of clause 49 of

the Listing Agreement of the stock exchanges in India, is presented in a separate section forming part of the Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to clause 32 read with clause 41 of the Listing Agreement with the Stock Exchanges and prepared in accordance with the Accounting Standards of the Institute of Chartered Accountants of India.

ISSUE OF EQUITY WARRANTS & SHARES

To augment long term resources of the Company for meeting the fund requirements of the business and for other corporate purposes, the Company in accordance with statutory provisions laid by the Securities and Exchange Board of India and with the approval of the members of the Company issued and allotted 20,00,000 equity warrants to the persons/entities belonging to the non-promoter group with an option to convert them into equity shares within a period of 18 months from the date of allotment. Accordingly, Equity shares were issued to the persons/entities belonging to the non-promoter group on the 5th March, 2008 which thereby increased the paid up capital of the Company by more than Rs. 5 crores.

Also the equity shares of the Company have been allotted to persons/entities of the transferor Companies: Hulchul International Private Limited, Vikas Utilities Private Limited, South Delhi Projects Private Limited in the ratio as specified in the scheme of amalgamation of the Company duly approved by the statutory authorities. Consequently, the total paid up capital of the Company following the amalgamation is Rs. 785.39 Lacs.

DIVIDEND

The management plans to utilize the surplus funds for expansion, diversification of business and hence do not declare any dividend for the year financial year ending March 2008.

PUBLIC DEPOSITS

The Company has not accepted / renewed any public deposit during the year ended 31st March 2008.

DIRECTORS

Shri Vivek Garg, Shri B B Tandon, Shri P K Banerji, Shri Mukesh Aggarwal were appointed as Additional Directors of the Company as on 25th July, 2008. As per section 260 they will hold office until the conclusion of forthcoming Annual General Meeting of the Company. However, a notice has been received under section 257 to appoint them as the Directors of the Company.

Shri. Nand Kishore Garg and Shri Sumer Chand Tayal retire by rotation and being eligible offers themselves for re-appointment. The Board recommends their appointment at the ensuing Annual General Meeting.

LISTING AGREEMENTS

The Companies Securities are listed at the Delhi and Mumbai, Stock Exchanges. The listing fees for the Stock Exchanges have been paid for the year.

STATUTORY AUDITORS

M/s R. K. Batra & Company, the Company Auditors will retire at the conclusion of forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. They have furnished the requisite certificate under section 224(1B) of the Companies Act, 1956. The Board recommends their re-appointment.

AUDITORS OSERVATIONS

The notes to accounts forming part of Balance Sheet as at 31st March, 2008 and the Profit & Loss Account on that date, referred to in the Auditors Report are self explanatory and do not call for any further particulars.

DIRECTOR'S RESPONSIBILITY STATEMENT:

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

1. That in the preparation of annual Accounts the applicable accounting standards had been followed along with proper explanation relation to material disturbances.
2. That your Directors have selected such accounting polices and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state affairs of the company at the end of financial year and of the loss of the company for the period.
3. That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That your Directors have prepared the Annual Accounts for the financial year ended 31st March 2008 on a Going Concern Basis.

PARTICULARS OF EMPLOYEES

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

CONSERVATION OF ENERGY ETC.

As required in terms of section 217 (1) (e) of the Companies Act, 1956 read by the Companies (Disclosure of Particulars in the Report of Board of Director) Rules, 1988, the relevant data pertaining to conservation of energy, its consumption, technology absorption and Research & Development are given in the prescribed format as annexure to this report.

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is based on the principals of integrity, fairness, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organization. Vikas is committed to good governance practices that create long term sustainable shareholder value. The



Company has complied with compliances as required under listing agreement. As required under clause 49 of the Listing Agreement, the report on Corporate Governance forms part of the Auditor's Report.

FIXED DEPOSITS

There are no unclaimed / unpaid deposits as the end of the year under review. The Deposits received were in compliance of Section 58A of Companies Act, 1956 However, the company has stopped taking fresh Fixed Deposit or Renewing the existing fixed deposit w.e.f. 8th November 2001 as per instruction issued by Reserve Bank of India.

ACKNOWLEDGEMENT

The Directors wish to place on records the appreciation of the dedicated and hard work put by the employees of Vikas Profin Limited at all levels and look forward to their continued support in the coming time. Your directors place on record their appreciation for the guidance, co-operation and continuous support extend by Bankers, Shareholders and its valued Customers.

By order of the Board

Dr. Nand Kishore Garg
Chairman & Managing Director

Place New Delhi

Date 31ST October, 2008

ANNEXURE 'A' TO DIRECTOR'S REPORT

Information as per section 217 (1) (e) read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Director's Report for the year ended 31st March, 2008:

1. CONSERVATION OF ENERGY

- The Company shall continue its endeavor to improve energy conservation and utilization.
- Total energy consumption and production as per Form – A of the annexure to the Rules:
Form for disclosure of particulars with regard to conservation of energy:

Power & Fuel Consumption

Particulars	2007-2008 (Rs. In lacs)	2006-2007 (Rs. In lacs)
Electricity Purchased	27.48	Nil
Through own generation	4.67	Nil

Consumption per unit of production

Product	Electricity (Units – KWH)		Own Generation (Units)	
	2007-2008	2006-2007	2007-2008	2006-2007
Calcite powder & other materials (per M.T.)	0.017	N.A.	0.004	N.A.
EVA Footwears (per pair)	1.04	N.A.	----	N.A.
EVA Compound (per M.T.)	0.48	N.A.	----	N.A.

1. TECHNOLOGY ABSORPTION

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

RESEARCH & DEVELOPMENT (R & D)

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

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

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

(c) **Future Plan of action:**

If required activities shall be carried out by the Company to achieve greater efficiency in production techniques.

TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:

Major initiatives are being taken to upgrade the various processes by making use of latest and better techniques. Efforts are being made to make best use of available infrastructure and at the same time importing new technology to bring out efficiency and economy in the area.

The Company during the year under review imported Ultra Fine Mill Machine and Stone crushing machine

from China for its manufacturing plant at Rajasthan.

2. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

Earnings ---- NIL

Outgo ---- Rs. 704.21 Lacs

CORPORATE GOVERNANCE REPORT

1. PHILOSOPHY ON CORPORATE GOVERNANCE

The initial analysis of the Corporate Governance focuses on the duty of Board of Directors, its executives and the shareholders

Our corporate governance policy is based on the following principles:

- To achieve the leadership position in our field
- To adhere to conservative financial management policy
- Transparency and high degree of disclosure levels
- Compliances with all the laws under which the Company falls
- Having simple and transparent corporate structure driven solely by business needs
- Management is the trustee of shareholders

2. BOARD OF DIRECTORS

The Company's policy is to maintain an optimum combination of Executive and Non-Executive Directors. The Board consists of eight Directors of which five are independent directors. Composition and the category of the Directors are as follows:

S.No.	Name of Director	Designation	Position
1	Nand Kishore Garg	Chairman & Managing Director	Promoter-Executive
2	Purshottam Dass Bhoot	Director	Independent-Non Executive
3	Sumer Chand Tayal	Director	Independent-Non Executive
4	Vikas Garg	Director	Promoter-Non Executive
5	B B Tandon **	Director	Independent-Non Executive
6	P K Banerji **	Director	Independent-Non Executive
7	Mukesh Aggarwal **	Director	Independent-Non Executive
8	Vivek Garg **	Director	Promoter-Executive

** Appointed w.e.f. 25th July, 2008 as Additional Director

DIRECTORS PROFILE

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



Shri. Nand Kishore Garg aged 60 years is M.Sc, LLB, Phd. He holds the position of Chairman and Managing director of the Company and takes care of the complete plant operation, production planning and its execution. He is providing the strategic direction to the company. He is having experience of more than 15 years in the field of trading of Chemical and PVC components.

He is also very active in field of education and is independent Director in Bharat Prakashan (Delhi) Ltd and Vikas Promoters Ltd



Shri. Purushottam Dass Bhoot aged 78 years is a Law Graduate and Company Secretary. He has a vast experience in handling legal and secretarial assignments during his association with Bazaloni Groups Ltd. He is also on the board of Jindal India Limited. He is providing a valuable support to the operations of the Company since 1994.



Shri Sumer Chand Tayal aged 64 years is Civil Engineer. He during his association with Delhi Development Authority has gained rich experience in Materials Management for executing various construction /Development Projects. He is on the board of the Company since 2006 and is advising the Company on various projects under real estate Segment. He is also on the Board of Moonlite Footcare Private Limited.



Shri Vikas Garg aged 35 years is a Commerce Graduate from Delhi University. He holds the directorship in the company and has rich experience of more than 9 years in the line of plastics and chemicals. He spearheaded the Group's diversification into plastics and chemicals and has been instrumental in getting distributorship rights from various global giants. He is taking care of the finance and marketing operations of the Company.

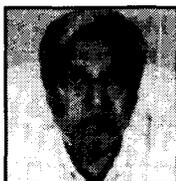


Shri B B Tandon aged 67 years is MA (Economics) and LLB (Bachelor of Laws) from the University of Delhi. He has also obtained Associate certificate from Indian Institute of Bankers in respect of subjects of co-operation and Industrial finance.

He has served as a member of IAS since 1965 to 2001. In the Government of India, he served at almost all senior level positions like Deputy Secretary, Director, Joint Secretary, Additional Secretary and Secretary. He also acted as Additional Secretary, Department of Company Affairs and also a member of the Securities and Exchange Board of India (SEBI). He has also been the Chief Election Commissioner of India. He has considerable management experience in the fields of Economics, Company Law,

Co-operation and Industrial finance.

At present Shri B B Tandon is on the Board of Adani Power Ltd, Birla Corporation Ltd, Dhampur Sugar Mills Ltd, Jaiprakash Power Ventures Ltd, Canara Bank, Ambuja Cement Foundation etc.



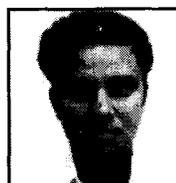
Shri P K Banerji aged 66 years has held important positions with the Government of India. He also acted as Secretary to Government of India (Insurance and External Finance). He has vast experience of handling multilateral agencies like World Bank, Asian Development Bank, IFC, European Union, ICAO etc. Shri P K Banerji has also been awarded Padma Shri in 1972 for his outstanding public service. Also he has been awarded medal of honour by the Soviet Chamber of Commerce and Industry in 1984.

He has considerable experience in the field of Finance, Industry, Foreign Trade, Foreign Investment and bilateral and multilateral negotiations.



Shri Mukesh Aggarwal aged 43 years is a fellow member of the Institute of Chartered Accountants of India and having vast knowledge of finance. He has in-depth knowledge in the financial sector and can provide valuable support to strengthen the operational management of the Company.

He also holds directorship with few consulting companies such as Acropolis Consulting Pvt Ltd. He is also a member on the Board of Maharaja Agrasen Academy Private Limited.



Shri Vivek Garg aged 33 years is a Commerce Graduate having experience of more than ten years in the industry. He is supervising the operations of the company pertaining to Real estate segment. He is also director in Vikas Realtors Pvt Ltd and Vikas Associates Pvt Ltd

MEETINGS OF THE BOARD

The Board of Directors meets regularly to review strategic, operational and financial matters of the Company and has a formal schedule of matters reserved for its decision. It approves the interim and preliminary financial statements, the annual financial plan, significant contracts and capital investment along with strategic decisions like restructuring of business etc. Wherever appropriate the Board delegates its authority to Committees of Directors like: Audit Committee, Shareholders Grievance Committee etc. Information is provided to the Board in advance of every meeting.

Dates of the Board Meeting are fixed in advance and agenda is circulated to the Directors at least seven days before the meeting. During the year eight meetings of the Board were held. The meeting were held on 6th June, 2007, 31st August, 2007, 1st October, 2007, 30th October, 2007, 2nd November, 2007, 25th

January, 2008, 5th March, 2008, 31st March, 2008. The gap between any two meetings was not more than four months ensuring compliance with clause 49 of the Listing Agreement and the Companies Act, 1956. The attendance of the Directors at the Board Meeting held during the financial year ended 31st March, 2008 is given herein below:

DETAILS OF BOARD MEETINGS

S.No.	Date of Board Meeting (During the financial year 2007-08)	Board Strength	Members present
1	6th June, 2007	4	4
2	31st August, 2007	4	4
3	1st October, 2007	4	3
4	30th October, 2007	4	3
5	2nd November, 2007	4	3
6	25th January, 2008	4	3
7	5th March, 2008	4	4
8	31st March, 2008	4	4

3. COMMITTEES OF THE BOARD

(I) AUDIT COMMITTEE

The Board of Directors has constituted the Audit Committee with three independent directors having expertise in financial and accounting areas. The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and statutory requirements. The Committee purpose is to oversee the accounting, auditing and reporting practices of the Company, the audit of the Company's financial statements, the appointment, independence and performance of the statutory auditors and the performance of the internal auditors.

Audit Committee of the Board has been constituted in compliance with the provisions of section 292A of the Companies Act, 1956 and the provisions of clause 49 of the Listing Agreement with the Stock Exchanges. The composition of the Audit Committee is as under:

S.No.	Name	Designation	Position in the Committee
1	Mukesh Aggarwal	Director	Chairman
2	Sumer Chand Tayal	Director	Member
3	Purshottam Dass Bhoot	Director	Member

Ms. Namrata Sharma, Company Secretary acts as the secretary to the committee.

Terms of Reference

The scope of activities of Audit Committee includes the following:

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

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

- Management Discussion and analysis of financial condition and results of operations.

- Statement of significant related party transactions submitted by the management.

Meetings of the Committee

During the year four meetings of the Audit Committee were held. The same were held on 25th June 2007, 31st July 2007, 30th October 2007 and 25th January 2008.

(II) SHAREHOLDERS GRIEVANCE COMMITTEE

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

The Composition of the Shareholders Grievance Committee is as under:

S.No.	Name	Designation	Position in the Committee
1	Sumer Chand Tayal	Director	Member
2	Vivek Garg	Director	Member
3	Mukesh Aggarwal	Director	Member

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

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

Ms. Namrata Sharma, Company Secretary acts as the secretary to the Committee.

Terms of Reference

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

- Orchestrate efficacious system in consonance with statutory guidelines to ensure speedy disposal of requests/ grievance received from shareholders.
- Oversight over the redressal of shareholders and investor complaints e.g. transfer of shares, non receipt of balance sheet, non receipt of declared dividend etc.
- Dwell in greater depth on the issues of investors' complaints and grievances.
- Analytical and comprehensive review of the reports submitted by Registrars & Share Transfer agents of the Company,
- Review the company report on the functioning of said investor grievances redressal machinery.
- Follow up implementations of suggestions for improvement.
- Authorize Issue of duplicate certificates in place of original certificate.

- Approve and effect transmission of shares arising as a result of death of the sole/ any one joint shareholder.
- Regular review of statutory guidelines, quality and best in class practices of the grievance redressal system to ensure its continuing efficacy and thereby enhancing shareholders' satisfaction.
- Periodically report to Board about serious concerns, if any.

MEETINGS OF THE COMMITTEE

Meetings of the Committee are held at regular intervals considering the cases of transfer/transmissions and other investor grievances received by the Company.

(III) RISK MANAGEMENT COMMITTEE

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

The Composition of the Risk Management Committee as on date is as under:

S.No.	Name	Designation	Position in the Committee
1	P. K. Banerji	Director	Chairman
2	Mukesh Aggarwal	Director	Member
3	Vikas Garg	Director	Member

Terms of Reference:

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

- Ensure that the identification and evaluation of key risks that threaten achievement of the company's objectives is carried out, and that a register of these risks is maintained.
- Monitoring and managing the credit risk, market risk, operational risk, macro economic risk and other risk of the company.
- Review and assess the quality, integrity and effectiveness of the risk management framework with a view to ensuring that the risk policies and strategies are efficaciously and effectively operated.
- Ensure implementation of an effective ongoing process to identify risk, measure potential impact and activate what is necessary to pro-actively manage risks, and decide the company's appetite or tolerance for risk.
- Ensure that a systematic, documented assessment of the processes and outcomes surrounding key risks is undertaken periodically (at least annually) for the purpose of assessing the efficacy of risk

management.

- Oversee formal reviews of activities associated with the effectiveness of risk management and internal control processes.
- Monitor external developments relating to the practice of corporate accountability and the reporting of specifically associated risk, including emerging and prospective impacts
- Report regularly to the Board and Audit committee on risk areas and measures to mitigate it.
- Contribute to raising awareness of risk across the company and to maintaining the profile of risk management.
- Address such other matters related to risk as may arise from time to time.

The Risk Management Committee of the Company has been constituted by the Board in its Board Meeting held on 29th August, 2008. The meetings of the Committee shall be held at such intervals as may be decided by the Board.

(IV) REMUNERATION COMMITTEE

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

The composition of the Remuneration Committee is as under:

S.No.	Name	Designation	Position in the Committee
1	B. B. Tandon	Director	Chairman
2	P. K. Banerji	Director	Member
3	Vikas Garg	Director	Member

Scope of Remuneration Committee

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

Director and Chief Executive Officer.

- Review and recommend to the Board any changes in remuneration policy required, if any.

The Remuneration Committee of the Company has been constituted by the Board in its Board Meeting held on 29th August, 2008. The members of the Committee shall meet at such intervals as may be decided from time to time.

4. GENERAL BODY MEETINGS

Details of location of last three AGM's of the Company

The last three AGM's of the Company were held at

Financial year Date	Time	Venue
Wednesday, the 28th September 2005	10:30 AM	34/1, Vikas House, East Punjabi Bagh, New Delhi – 110 026
Wednesday, the 27th September 2006	10:30 AM	34/1, Vikas House, East Punjabi Bagh, New Delhi – 110 026
Saturday, the 29th September, 2007	10:30 A.M.	Keshav Kunj, Village Ghevra, New Delhi

The following **special resolutions** were passed in the last Annual General Meeting:

(I) ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY

(II) ISSUE OF WARRANTS ON PREFERENTIAL BASIS TO PERSONS BELONGING TO NON-PROMOTER GROUP

5. DISCLOSURES

Details on materially significant related party transactions

There were no materially significant related party transactions during the year.

Disclosure of Accounting Standards in preparation of financial statements

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

Details of non compliance by the Company, penalties, strictures, imposed on the Company by the Stock Exchange

The Company has complied with the requirements of listing agreements of Stock Exchanges. Consequently, no penalties were imposed during the year.

6. SECRETARIAL AUDIT

A qualified practicing Company Secretary carried out the Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of shares in dematerialized form with NSDL and CDSL.

7. MEANS OF COMMUNICATION

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

8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

9. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date : 6th December, 2008

Time : 11:30 A.M.

Venue : **HARYANA MAITRI BHAWAN**

Reporting Calendar

Quarter Ending on 30th June, 2007	:	July, 2007
Quarter Ending on 30th September, 2007	:	October, 2007
Quarter Ending on 31st December, 2007	:	January, 2008
Quarter Ending on 31st March, 2008	:	June, 2008

Dates of Book Closure: 28th November, 2008 to 6th December, 2008 (both days inclusive)

LISTING ON STOCK EXCHANGES

The Shares of the Company are listed on the following two Stock Exchanges

The Delhi Stock Exchange Association Ltd.

The Bombay Stock Exchange Ltd.

LISTING FEES

Listing Fee for all the aforesaid Stock Exchanges have been paid for the financial year ended 31st March, 2009.

SCRIP CODE

The Bombay Exchange Limited	530961
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There is no trading in shares at the Delhi Stock Exchange.

REGISTRAR AND SHARE TRANSFER AGENTS

Details of Registrar and Share Transfer Agent:

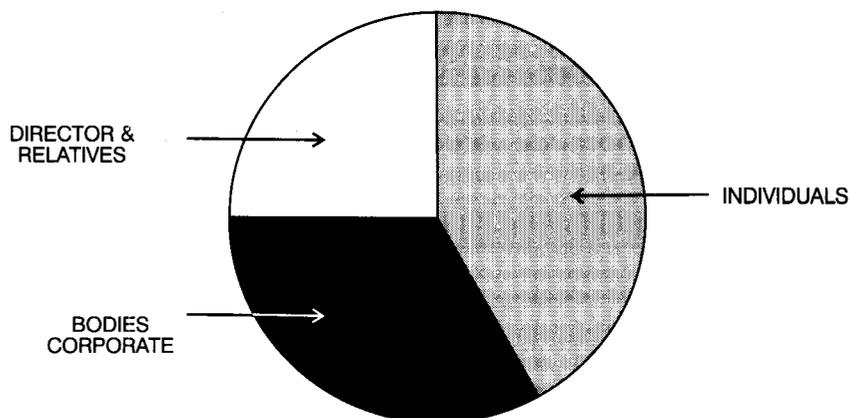
Alankit Assignments Limited

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2008

Shareholding of nominal value (in Rs.)			Shareholders	
			Number	%age
1	to	5000	76474	0.97
5001	to	10000	50442	0.64
10001	to	20000	49273	0.63
20001	to	30000	45900	0.58
30001	to	40000	27960	0.35
40001	to	50000	47097	0.60
50001	to	100000	81826	1.04
Above	to	100001	7474965	95.17
Total			7853937	100

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2008

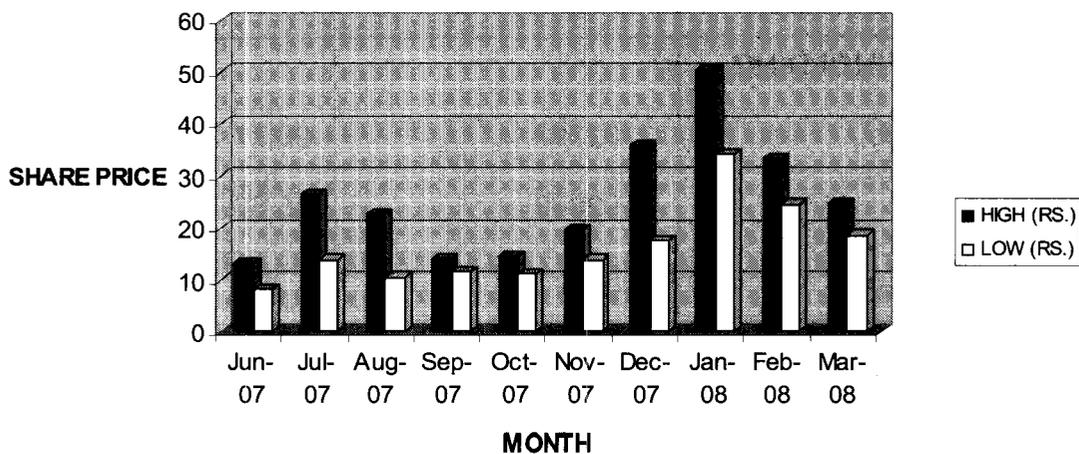
Category	Number of Shares	Percentage of Holding
PROMOTERS		
Individuals/Hindu Undivided Family	501152	6.38
Directors and Relatives	1965464	25.02
Bodies Corporate	487783	6.21
PUBLIC SHAREHOLDING		
Bodies Corporate	2102390	26.77
Individuals	2792648	35.56
NRI's (Individual)	4500	0.06
TOTAL	7853937	100%



STOCK MARKET DATA

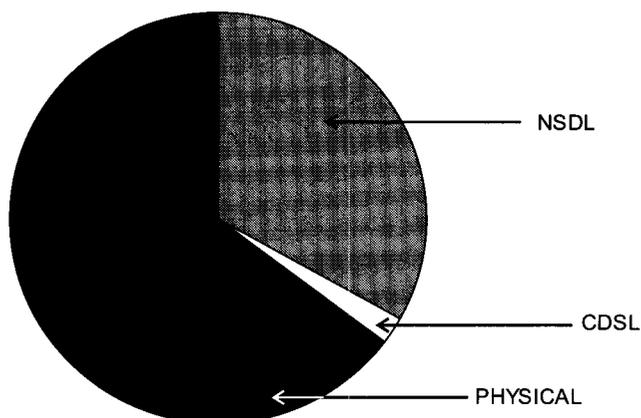
The stock market data for the year is as follows:

<u>Year</u>	High (Rs.)	Low (Rs.)
Jun-07	13.4	8.4
Jul-07	26.5	14
Aug-07	22.75	10.6
Sep-07	14.1	11.79
Oct-07	14.75	11.4
Nov-07	19.6	14
Dec-07	36.15	17.8
Jan-08	50.5	34.25
Feb-08	33.3	24.7
Mar-08	24.75	18.7



DEMATERIALIZATION OF SHARES

The shares of the Company can be traded in dematerialized form and depository services are available from both CDSL and NSDL. 35.34 percent of shares have been dematerialized as on 31st March 2008.



Under the Depository System the International Securities Identification Number (ISIN) of the Company is INE806A01012.

ADDRESS FOR CORRESPONDENCE

The shareholders may send their communication to the Company at the registered office or to their share transfer agents M/s Alankit Assignments Limited at the following Address:

Company Secretary

Vikas Profin Limited

34/1, Vikas House,
East Punjabi Bagh
New Delhi

Alankit Assignments Limited

Alankit House,
2E/21, Jhandewalan Extension,
New Delhi-110015

AUDITOR'S CERTIFICATE

Auditor's Certificate on compliance with the conditions of Corporate Governance under clause 49 of the Listing Agreement

To the members of

VIKAS PROFIN LIMITED

We have examined the compliance of conditions of Corporate Governance by Vikas Profin Limited ("the Company") for the year ended 31st March, 2008, as stipulated in Clause 49 of the Listing Agreement of the Company with the stock exchanges.

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

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

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

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

For R K Batra & Company
Chartered Accountants

Tarun Batra
Partner

Membership No. 94318

Place: New Delhi

Dated: 31st October 2008

AUDITORS' REPORT

To the Members of *M/s Vikas Profin Ltd.*

1. We have audited the attached Balance Sheet of *M/s Vikas Profin Limited* as at 31st March, 2008 and the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that consolidated financial statement have been prepared by the company after the amalgamation of the following companies namely M/s Vikas Utilities Private Limited (VUPL), Hulchul International Private Limited (HIPL), South Delhi Projects Private limited (SDPPL) with M/s Vikas Profin Limited after approval of the same by H'ble High Court and the approval of the same from Registrar of Companies w.e.f 1st April'2007. Attention is invited to **Note No 1** regarding the said amalgamation
4. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
5. Further to our comments in the annexure referred to in paragraph 3 above, we report that:-
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards, referred in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (e) On the basis of the written representations received for the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In so far as it relates to Balance Sheet, of the state of affairs of the company as at 31st March, 2008;
- (ii) In so far as it relates to the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
- (iii) In so far as it relates to the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Place : Delhi

Date : 31-10-2008

For R.K Batra & Co.

(Chartered Accountants)

Tarun Batra

(Partner)

Membership No. 94318

Annexure to the Auditors' Report
Referred to in Paragraph 3 of our report of even date.

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
2. The fixed assets have been physically verified by the management at all location at reasonable intervals. No material discrepancies between book records and the physical inventories have been noticed on such verifications.
3. The Inventories has been physically verified at reasonable intervals by the management. The inventories are in the shape of Loans given to various parties and the company is maintaining proper records of inventory. All the Loans given by the company are unsecured and does not have any security except the personal guarantee of the directors of the company or the owner of the firms.
4. (a) The company has not taken unsecured loans during the year from any companies, firms and other parties covered in the Register maintained under section 301 of the Companies Act, 1956.

(b) The Company has granted unsecured loan to company covered in the register maintained under section 301 of the Companies Act, 1956. The loans are repayable on demand. The Company has given loan of Rs 31.30 Lacs to M/s Vikas Promoters Private Limited in which one of the director is common and also a loan of Rs. 36.23 Lacs to M/s Vikas Polymers (India) in which one of the director is a Partner..
5. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate in the size of the company and the nature of its business for purchase of inventory and fixed assets and on the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls. We have not observed any failure on the part of the Company to correct major weakness in internal control.
6. (a) Based on audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transaction that needs to be entered into the register maintained under section 301 of Companies Act, 1956 have been so entered.

(b) According to information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at relevant time.
7. In our opinion and according to information and explanations given to us, the company has not accepted any public deposit and the Company has complied with the provisions of sections 58A and 58AA of the Company, 1956 and rules framed there under.
8. In our opinion the company has an internal audit system commensurate with the size and nature of its business.
9. According to information and explanations given to us the company is depositing with appropriate authorities, undisputed statutory dues including provident fund , investor education fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, Cess and other statutory

dues to the extent applicable to it. There are certain undisputed demands in respects of income tax details of which were not provided to us by the management.

10. Based on the audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institution, bank or debenture holder.
11. Based on our examination of the records and evaluations of the related internal controls, we are of the opinion that there is no such transaction and contracts relating to shares, securities and other investment dealt in by the company in relation to which proper records are required to be maintained.
12. The company has not given any guarantee for loans taken by others from banks or financial institutions, the terms and conditions there of are not prima facie prejudicial to the interest of the company.
13. No term loan has been taken by the company.
14. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the company we report that the company has not utilized funds raised on short-term basis for long-term investment.
15. The company has made a preferential allotment of shares during the year under consideration but not to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
16. Based on the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.
17. Other clauses of the Order are not applicable to the Company.

Place: New Delhi

Dated:31-10-2008

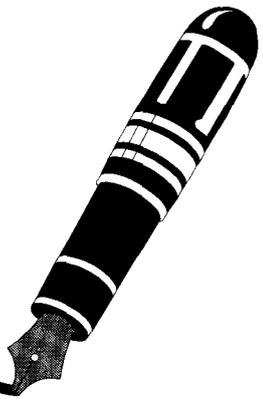
For R. K. Batra & Co.

Chartered Accountants

Tarun Batra
(Partner)

Membership No. 94318

Financial
Statement



VIKAS PROFIN LTD.			
34 / 1, Vikas House, East Punjabi Bagh, New Delhi 110026			
BALANCE SHEET AS AT 31ST MARCH, 2008			
	SCHEDULE	As at 31-03-08	As at 31-03-07
<u>SOURCES OF FUND</u>			
1. SHAREHOLDER'S FUND			
a. Share Capital	A	78,539,370.00	30,022,000.00
b. Reserves & Surplus	B	30,432,358.61	(490,078.57)
c. Share Application Money			
2. LOAN FUND			
a. Secured Loan	C	65,128,661.69	-
b. Unsecured Loan		2,031,057.00	-
TOTAL		176,131,447.30	29,531,921.43
<u>APPLICATION OF FUND</u>			
1. FIXED ASSETS	D	18,578,618.56	13,218,595.69
2. INVESTMENTS	E	3,869,693.01	3,569,693.01
3. Deffered Tax Assets		-	-
4. Current Assets, Loans & Advances			
a. Sundry Debtors	F	123,872,583.18	9,978,800.34
b. Cash & Bank Balances	G	7,358,099.51	2,583,812.05
c. Inventories	H	67,280,703.21	9,165,038.00
d. Loans & Advances	I	34,198,257.11	12,157,158.11
		232,709,643.01	33,884,808.50
5. Less: Current Liabilities & Provisions	J	79,618,223.28	21,141,175.77
6. Net Current Assets		153,091,419.73	12,743,632.73
7. MISCELLANEOUS EXPENDITURE (to the extent not written off)		591,716.00	-
TOTAL		176,131,447.30	29,531,921.43
AS PER REPORT OF EVEN DATE ATTACHED For R.K. BATRA & COMPANY Chartered Accountants		(0.00)	-
		For & On Behalf of the Board of Directors	
		Dr. Nand Kishore Garg Chairman & Managing Director	Vikas Garg Director
(Tarun Batra) Partner		Sumit Bhatia Finance Controller	Namrata Sharma Company Secretary
Place: New Delhi		S. C. Tayal Director	
Date: 31.10.2008			

VIKAS PROFIN LTD.			
34 / 1, Vikas House, East Punjabi Bagh, New Delhi 110026			
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008			
	SCHEDULE	YEAR ENDED 31-03-08	YEAR ENDED 31-03-07
1. INCOME			
Sales & Other Income	K	357,892,900.94	1,616,140.00
Other Income	L	3,253,394.25	1,790,089.00
Profit on Sale of Roof Right		-	1,000,000.00
Rent		193,200.00	193,200.00
Increase in Stock	M	9,883,070.21	-
TOTAL	A	371,222,565.40	4,599,429.00
2. EXPENDITURE			
Purchases	N	332,203,546.85	-
Exp on Display of Advertisement		1,265,301.00	1,018,713.00
Administrative & Other Exp	O	11,193,284.59	714,515.86
Financial Exp	P	10,015,910.05	5,066.92
Personal Exp	Q	5,337,406.00	807,779.00
Loss on Sale of Fixed Assets/ Investments		4,630,087.15	23,840.00
Depreciation	D	2,664,780.94	699,807.95
TOTAL	B	367,310,316.58	3,269,722.73
Net Profit (A - B)		3,912,248.82	1,329,706.27
Provision for Taxation		3,528,425.00	570,322.00
Prov for Deffered Tax Liability		(3,433,826.00)	(914,908.00)
Fringe Benefit Tax		143,325.00	-
Profit after Tax		3,674,324.82	1,674,292.27
Short Provisioning of Tax for Last Years		25,881.00	29,737.00
Prov for Doubtful & Sub Standard Assets		(3,870,178.33)	(1,078,074.01)
Profit carried to Balance Sheet		7,518,622.15	2,722,629.28
Notes to Accounts and Accounting Policies R			
For R.K. BATRA & COMPANY Y Chartered Accountants (Tarun Batra) Partner Place: New Delhi Date: 31.10.2008		For & On Behalf of the Board of Directors Dr. Nand Kishore Garg Chairman & Managing Director Vikas Garg Director Sumit Bhatia Finance Controller Namrata Sharma Company Secretary S. C. Tayal Director	

VIKAS PROFIN LTD.		
34 / 1, Vikas House, East Punjabi Bagh, New Delhi 110026		
SCHEDULES A TO K ATTACHED TO & FORMING PART OF BALANCE SHEET		
SCHEDULES	31st March'2008	31st March'2007
SCHEDULE A		
SHARE CAPITAL		
AUTHORISED CAPITAL		
1,59,50,000 Equity shares of Rs 10/- each	159,500,000.00	40,000,000.00
ISSUED & SUBSCRIBED CAPITAL		
78,54,826 Equity shares of Rs 10/- each		
PAID UP CAPITAL		
78,53,937 Equity shares of Rs 10/- each	78,539,370.00	30,022,000.00
Detail of Shares		
5002200 Equity Shares of Rs 10/- Each (ALLOTTED UNDER THE SCHEME OF AMALGAMATION)		
445347 Eq Sh of Rs 10/- Each Alloted to HIPL Shareholders		
1246550 Eq Sh of Rs 10/- Each Alloted to VUPL Shareholders		
1159840 Eq Sh of Rs 10/- Each Alloted to SDPPL Shareholders		
7853937 Total Equity Shares		
Balance at the year end	78,539,370.00	30,022,000.00
SCHEDULE B		
RESERVES & SURPLUS		
General Reserve		
Opening Bal	6,178,400.00	6,178,400.00
Add:- Reserve Fund (op bal)	5,513,000.00	5,513,000.00
Add:- Profit & Loss (op bal)	(12,181,478.57)	(14,904,107.85)
Add: Net Surplus of Transferor co's (As per Scheme of Amalgamation)	2,532,631.73	
Add : Additional Dep due To Change in Method From SLM to WDV	(94,750.30)	
Transfer from Profit & Loss Account	7,518,622.15	2,722,629.28
T O T A L	9,466,425.01	(490,078.57)
CAPITAL RESERVE *	965,933.60	-
(Created as per Scheme of Amalgamation)		
SHARE PREMIUM		
Opening Bal		
Received During the year	20,000,000.00	-
T O T A L	20,000,000.00	-
TOTAL	30,432,358.61	(490,078.57)

Note :- * Kindly see the detailed working of Capital Reserve

VIKAS PROFIN LIMITED
34/1, VIKAS TOWER, EAST PUNJABI BAGH, NEW DELHI-110026

DETAILED WORKING OF CAPITAL RESERVE

Name of the Company	Share Capital	Share Premium	Reserve and Surplus	Profit & Loss A/c	Total	Existing shares	No of Share Alloted for Each Share
Hulchul International Private Limited	1,908,700.00	7,276,500.00	-	(2,667,981.67)	6,517,218.33	190870	7 For Every 3 Shares
Vikas Utilities Pvt Ltd	3,497,000.00	13,360,000.00	5,141,671.40	-	21,998,671.40	34970	107 for Every 3 Shares
South Delhi Projects Pvt Ltd	435,000.00	3,015,000.00	-	58,942.00	3,508,942.00	43500	80 For every 3 Shares

Total No of shares alloted	No of Shares Alloted	Fractinal Shares	Share Capital	Cash For Fractional Shares	Trf to Genral Reserve As per Scheme	Capital Reserve
445363.33	445347	16.33	4,453,470.00	163.20	(2,667,981.67)	4,731,566.80
1247263.33	1246550	713.33	12,465,500.00	7,133.30	5,141,671.40	4,384,366.70
1160000	1159840	160	11,598,400.00	1,599.90	58,942.00	(8,149,999.90)
2,852,626.66	2,851,737.00	889.66	28,517,370.00	8,896.40	2,532,631.73	965,933.60

SCHEDULE C	31st March'2008	31st March'2007
<u>LOAN FUND</u>		
Secured Loan		
Auto Loan - ICICI Bank (Secured against hypothecation of vehicle)	92,382.00	
Auto Loan - ICICI Bank (Secured against hypothecation of vehicle)	238,952.00	
Auto Loan - ICICI Bank (Secured against hypothecation of vehicle)		
RELIANCE CAR FINANCE (Secured against hypothecation of vehicle)	440,754.69	
Cash Credit Facility		
A. From Karnataka Bank	55,486,838.56	
B. From Indian Overseas Bank (Secured against hypothecation of Land & Stock)	8,869,734.44	
TOTAL	65,128,661.69	-
<u>Unsecured Loan</u>		
From Directors	463,146.00	
From Others	1,567,911.00	-
TOTAL	2,031,057.00	-

VIKAS PROFIN LIMITED
34/1 VIKAS APARTMENTS EAST PUNJABI BAGH NEW DELHI
Depreciation as per COMPANIES ACT for the year 2007-2008

SCHEDULE D

S. No.	Particulars	Case No.	Balance as on 1/4/2007	Addition during the year	Sales during the year	Balance as on 31/03/2008	Rate of depri.	Dep. as on 01/04/2007	Dep. for the period 31.03.2008	Dep. Written	Depreciation as on 31.03.2008	W.D.V As on 31.3.2008	W.D.V As on 31.3.2007
LEASED ASSETS													
A	Machinery												
1	Norma Steel	140	384,837.00	-	384,837.00	-	4.75	230,798.00	18,280.00	249,078.00	-	-	154,039.00
2	Norma Steel	144	185,733.00	-	185,733.00	-	4.75	108,160.00	8,822.00	116,982.00	-	-	77,573.00
3	Amtek Auto Ltd.	147	1,307,306.00	-	1,307,306.00	-	4.75	675,752.00	62,097.00	737,849.00	-	-	631,554.00
4	Orphic Resorts Ltd.	148	529,000.00	-	529,000.00	-	4.75	270,829.00	25,128.00	295,957.00	-	-	258,171.00
5	R.K.Builders	154	3,727,624.68	-	3,727,624.68	0.00	4.75	2,057,074.00	177,062.00	2,234,136.00	-	0.00	1,670,550.68
6	Haryana Steel Alloys	156	2,437,992.00	-	2,437,992.00	-	4.75	1,204,805.00	115,805.00	1,320,610.00	-	-	1,233,187.00
	Total "A"		8,572,492.68	-	8,572,492.68	0.00		4,547,418.00	407,194.00	4,954,612.00	-	0.00	4,025,074.68
B	Office Equipments												
	Air Conditioner												
1	Orphic Resorts Ltd	146	795,600.00	-	795,600.00	-	4.75	413,320.00	37,791.00	451,111.00	-	-	382,280.00
	Total "B"		795,600.00	-	795,600.00	-		413,320.00	37,791.00	451,111.00	-	-	382,280.00
C	T.V cable												
	Catvision Products Ltd												
		155	1,790,435.00	-	1,790,435.00	-	7.07	1,270,001.00	126,584.00	1,396,585.00	-	-	520,434.00
	Total "C"		1,790,435.00	-	1,790,435.00	-		1,270,001.00	126,584.00	1,396,585.00	-	-	520,434.00
D	Generator												
1	Amtek Auto Limited	147	660,000.00	-	660,000.00	-	4.75	341,157.00	31,350.00	372,507.00	-	-	318,843.00
	Total "D"		660,000.00	-	660,000.00	-		341,157.00	31,350.00	372,507.00	-	-	318,843.00
Depreciation on Over The Lease Period Assets													
E	Machinery												
1	Rama Paper Mills	165	3,311,920.00	-	3,311,920.00	-	O.L.P	2,300,000.00	-	2,300,000.00	-	-	1,011,920.00
2	Rajesh Agarwal	161	1,424,446.00	-	1,424,446.00	-	O.L.P	1,000,000.00	-	1,000,000.00	-	-	424,446.00
3	Usha India Ltd	159	2,174,950.00	-	2,174,950.00	-	O.L.P	1,850,000.00	-	1,850,000.00	-	-	324,950.00
4	Rathi Industries Limited	166	3,124,980.00	-	3,124,980.00	-	O.L.P	2,500,000.00	-	2,500,000.00	-	-	624,980.00
5	Haryana Steel & Alloys Lt	167	2,495,030.00	-	2,495,030.00	-	O.L.P	2,000,000.00	-	2,000,000.00	-	-	495,030.00
6	Usha India Limited	168	1,396,027.00	-	1,396,027.00	-	O.L.P	1,250,000.29	-	1,250,000.29	-	-	146,026.71
7	Jai Shree Agro	171	3,155,000.00	-	3,155,000.00	-	O.L.P	2,400,000.33	-	2,400,000.33	-	-	754,999.67
8	Usha India Limited	173	2,098,000.00	-	2,098,000.00	-	O.L.P	1,199,999.47	-	1,199,999.47	-	-	898,000.53
9	Rathi Industries Limited	174	2,905,525.00	-	2,905,525.00	-	O.L.P	2,450,000.00	-	2,450,000.00	-	-	455,525.00
10	Crystal phosphate ltd	175	1,500,000.00	-	1,500,000.00	-	O.L.P	1,100,000.20	-	1,100,000.20	-	-	399,999.80
11	Rathi Udyog Limited	178	1,551,600.00	-	1,551,600.00	-	O.L.P	1,250,000.00	-	1,250,000.00	-	-	301,600.00
12	Usha India Limited	179	2,791,000.00	-	2,791,000.00	-	O.L.P	2,040,000.00	-	2,040,000.00	-	-	751,000.00
13	Jai Shree Agro	181	1,535,000.00	-	1,535,000.00	-	O.L.P	1,000,000.00	-	1,000,000.00	-	-	535,000.00
14	Rachita Proc P ltd	183	1,298,648.00	-	1,298,648.00	-	O.L.P	1,000,000.00	-	1,000,000.00	-	-	298,648.00
	Total "E"		30,762,126.00	-	30,762,126.00	-		23,340,000.29	-	23,340,000.29	-	-	7,422,125.71
F	Office Equipment												
1	Information Technologies	162	1,562,505.00	-	1,562,505.00	-	O.L.P	1,250,000.00	-	1,250,000.00	-	-	312,505.00
	Total "F"		1,562,505.00	-	1,562,505.00	-		1,250,000.00	-	1,250,000.00	-	-	312,505.00

S. No.	Particulars	Case No.	Balance as on 1/4/2007	Addition during the year	Sales during the year	Balance as on 31/03/2008	Rate of depri.	Dep. as on 01/04/2007	Dep. for the period 31.03.2008	Dep. Written	Depreciation as on 31.03.2008	W.D.V As on 31.3.2008	W.D.V As on 31.3.2007
G	Other Assets												
1	Air Conditioner		267,810.00	113,600.00	-	381,410.00	13.91	145,082.73	23,086.27	-	168,169.00	213,241.00	122,727.27
2	Typewriter		8,921.00	-	-	8,921.00	13.91	8,537.00	53.00	-	8,590.00	331.00	384.00
3	Furniture		400,929.00	136,248.50	-	537,177.50	18.10	264,341.40	37,827.60	-	302,169.00	235,008.50	136,587.60
4	Intercom		39,700.00	-	-	39,700.00	13.91	34,823.00	678.00	-	35,501.00	4,199.00	4,877.00
5	Cars		750,728.00	-	-	750,728.00	25.89	700,102.00	13,107.00	-	713,209.00	37,519.00	50,626.00
6	Scooter		68,938.95	-	-	68,938.95	25.89	66,385.95	661.00	-	67,046.95	1,892.00	2,553.00
7	Vault		15,000.00	-	-	15,000.00	13.91	13,634.00	190.00	-	13,824.00	1,176.00	1,366.00
8	Generator		794,800.00	1,162,580.00	-	1,957,380.00	13.91	262,616.94	169,030.06	-	431,647.00	1,525,733.00	532,183.06
9	Computer		720,643.00	199,086.00	-	919,729.00	40.00	513,100.00	123,828.00	-	636,928.00	282,801.00	207,543.00
10	Fax		38,300.00	-	-	38,300.00	13.91	28,044.54	1,426.46	-	29,471.00	8,829.00	10,255.46
11	Television		24,500.00	-	-	24,500.00	13.91	14,865.00	1,340.00	-	16,205.00	8,295.00	9,635.00
12	Cooler		25,744.00	-	-	25,744.00	13.91	19,987.00	801.00	-	20,788.00	4,956.00	5,757.00
13	Cycle		4,186.00	-	-	4,186.00	25.89	3,904.00	73.00	-	3,977.00	209.00	282.00
14	Water Filter		60,950.00	-	-	60,950.00	18.10	48,612.00	2,233.00	-	50,845.00	10,105.00	12,338.00
15	Office Equipments		168,913.00	46,856.00	-	215,769.00	18.10	47,549.00	21,361.00	-	68,910.00	146,859.00	121,364.00
16	Pager		3,200.00	-	-	3,200.00	13.91	2,234.00	134.00	-	2,368.00	832.00	966.00
17	Photocopier.		31,000.00	-	-	31,000.00	13.91	18,379.00	1,756.00	-	20,135.00	10,865.00	12,621.00
18	Inverter		30,500.00	-	-	30,500.00	13.91	13,746.00	2,330.00	-	16,076.00	14,424.00	16,754.00
19	Electric fitting & Installation		6,500.00	-	-	6,500.00	13.91	2,832.00	512.00	-	3,344.00	3,156.00	3,668.00
20	Fire Fighting Equipment		33,325.00	-	-	33,325.00	13.91	10,608.01	3,161.99	-	13,770.00	19,555.00	22,716.99
21	Weighing Scales		4,500.00	89,000.00	-	93,500.00	13.91	93.00	7,068.00	-	7,161.00	86,339.00	4,407.00
22	Vehicle		2,506,606.00	921,184.00	791,569.00	2,636,221.00	25.89	1,085,365.00	442,219.00	369,470.00	1,158,114.00	1,478,107.00	1,421,241.00
23	Plant & Machinery		8,834,826.50	4,484,637.31	3,345,642.50	9,973,821.31	13.91	3,611,512.94	1,098,714.56	1,487,711.50	3,222,516.00	6,751,305.31	5,223,313.56
	Total "G"		14,840,520.45	7,153,191.81	4,137,211.50	17,856,500.76		6,916,354.51	1,951,590.94	1,857,181.50	7,010,763.95	10,845,736.81	7,924,165.94
H	Land and Building												
1	Land and Building- Jammu Plant		-	2,500,000.00	-	2,500,000.00	-	-	-	-	-	2,500,000.00	-
2	Land		1,699,340.00	-	-	1,699,340.00	-	-	-	-	-	1,699,340.00	1,699,340.00
3	Building		-	3,643,812.75	-	3,643,812.75	10.00	-	110,271.00	-	110,271.00	3,533,541.75	-
4	Building WIP		802,828.60	2,118,270.20	2,921,098.80	-	-	-	-	-	-	-	802,828.60
5	Plant & Machinery WIP		2,046,033.84	-	2,046,033.84	-	-	-	-	-	-	-	2,046,033.84
	Total "H"		4,548,202.44	8,262,082.95	4,967,132.64	7,843,152.75		-	110,271.00	-	110,271.00	7,732,881.75	4,548,202.44
	Total Assets ("A" to "H")		63,531,881.57	15,415,274.76	53,247,502.82	25,699,653.51		38,078,250.80	2,664,780.94	33,621,996.79	7,121,034.95	18,578,618.56	25,453,630.77

SCHEDULE E		
INVESTMENTS		
Investments - Akshatha Services Pvt. Ltd.	250,000.00	-
Investment Others	50,000.00	-
Investment in Govt Bonds	100,000.00	-
Investments in Shares/ Deb	434,693.01	534,693.01
Investment Vikas Promoters P Ltd	3,035,000.00	3,035,000.00
TOTAL	3,869,693.01	3,569,693.01
SCHEDULE F		
SUNDRY DEBTORS (Unsecured & Unconfirmed)		
a. Debts outstanding for a period exceding six months Considered Good Considered Doubtful & Provided for Considered Doubtful & not Provided for	10,890,494.80	9,978,800.34
b. Other Debts (Unsecured, considered good) Due from Directors - Nil Previous Period - Rs Nil Max. amount due from Directors at any time during the year - Nil Previous Period - Rs Nil	112,982,088.38	-
TOTAL	123,872,583.18	9,978,800.34
SCHEDULE G		
	31st March'2008	31st March'2007
CASH & BANK BALANCES		
a. Cash in hand	1,421,649.43	49,015.67
b. Balance with Scheduled Bank in Current A/c		
ICICI Bank	70,070.51	
Andhra Bank	32,913.75	
South Indian Bank Ltd	14,745.00	
State Bank of India	8,158.00	
Karnataka bank	5,964,615.98	1,908,188.38
State Bank of Bikaner and Jaipur	22,106.00	
Centurion Bank	(178,219.16)	
Indian Overseas Bank CC-3523	2,060.00	626,608.00
TOTAL	7,358,099.51	2,583,812.05

SCHEDULE H		
INVENTORIES		
(At taken at cost value, & as certified by management)		
a. Chemicals & Compounds	30,103,873.21	-
b. WIP- Construction	4,424,137.00	-
c. Control Account real Estate (inventory)	32,752,693.00	9,165,038.00
TOTAL	67,280,703.21	9,165,038.00
SCHEDULE I		
LOANS & ADVANCES		
(Unsecured considered good unless otherwise stated)		
a. Advances recoverable in cash or kind for value to be received (considered good) Due from Directors - Nil Previous Period - Rs Nil Max. amount due from Directors at any time during the year - Nil Previous Period - Rs Nil	29,447,551.41	12,157,158.11
b. Advances to Supplier	390,397.34	
c. Security Deposit	803,294.00	
d. Duties & Taxes	3,557,014.36	
TOTAL	34,198,257.11	12,157,158.11

SCHEDULE J	31st March'2008	31st March'2007
<u>CURRENT LIABILITIES & PROVISIONS</u>		
Current Liabilities		
a. Sundry Creditors for goods	69,318,587.19	1,498,051.43
b. Advances From Customers	3,287,487.00	
c. Lease Security Deposit	-	10,193,586.00
d. Statutory Dues	1,860,718.28	
e. Expenses Payable	655,755.41	
e. Payable in respect of Share Capital	8,896.40	
Provisions		
a. Income Tax	3,730,000.00	570,322.00
b. Others/ FBT	163,000.00	922,658.01
c. Accumulated Prov	534,693.00	
d. Prov for Doubtful/ Sub Standard Assets	-	3,870,178.33
e. Deferred Tax Liability	59,086.00	3,551,687.00
f. Prov for Dep in Investment		534,693.00
TOTAL	79,618,223.28	21,141,175.77
SCHEDULES K TO L ATTACHED TO & FORMING PART OF PROFIT & LOSS ACCOUNT		
	31st March'2008	31st March'2007
SCHEDULE K		
<u>SALES & COMMISSION INCOME</u>		
Sales	321,423,664.50	
Sales- Construction Project	8,371,800.00	
Commodity Sales	10,355,964.30	
Income from Advertisement Rights	2,355,900.00	1,616,140.00
Interest	1,967,738.00	1,610,962.00
Profit on Sale of Flat/ Roof Right	150,000.00	1,000,000.00
Income on reversal of Provision	73,572.01	
Exchange Rate Difference	2,739,922.07	
Service Charges/ Commission Income Lupin	10,454,340.06	
Balance at the year end	357,892,900.94	4,227,102.00

SCHEDULE L	31st March'2008	31st March'2007
<u>OTHER INCOME</u>		
Interest Income	232,757.00	
Misc Income/ Profit on DEPB	30,290.75	179,127.00
Profit & Loss on Consignment	263,729.00	
Other Income	827,044.94	
Profit on tfr of Lease/ Fixed Assets	1,884,553.76	
Short & Excess	15,018.80	
TOTAL	3,253,394.25	179,127.00
SCHEDULE M	31st March'2008	31st March'2007
<u>INCREASE / DECREASE IN STOCK</u>		
Closing Stock		
Chemicals	30,103,873.21	
WIP	4,424,137.00	
TOTAL A	34,528,010.21	
Less :- Opening Stock	24,644,940.00	
Chemicals		
TOTAL B	24,644,940.00	-
TOTAL (A - B)	9,883,070.21	-
SCHEDULE N	31st March'2008	31st March'2007
<u>PURCHASES & OTHERS</u>		
Purchases Delhi	294,165,088.96	
Labour & Wages	241,795.00	
Electricity & Water	2,748,293.00	
Demurage & Detention	442,711.92	
Custom Duty	17,290,588.37	
Freight & Cartage outward / Inward	3,918,556.00	
Discount given	874,917.10	
Clearing & Forwarding	1,444,499.87	
Inland Haulage Charges	2,934,231.63	
Loading/unloading/ Packaging/ Sampling	1,610,977.00	
Commission Paid	4,184,548.00	
Direct Exp Const	2,347,340.00	
TOTAL	332,203,546.85	-

SCHEDULE O	31st March'2008	31st March'2007
<u>ADMINISTRATIVE & OFFICE EXPENSES</u>		
Advertisement Expenses	33,875.00	
Audit Fees	48,714.00	30,866.00
Bad Debts w/off	3,943,750.34	
Business Promotion Expenses	252,073.69	
Car Exp	-	
Commission + P & T Chrgs. on LC Payment	185,680.00	
Conveyance	53,006.00	1,698.00
Diwali Expenses	163,100.50	
Donation	420,100.00	
Electricity	-	12,850.00
FBT Tax 06-07	20,566.00	6,896.00
Filing Charges	43,001.00	389,432.00
Generator Expenses	466,938.00	
Inspection Fees	5,638.00	
Insurance	428,877.00	
Labour & Contngency	359,275.00	
Leave Encashment (LUPIN)	49,978.00	
Legal & Profession Expenses	1,100,789.00	15,469.00
Membership Fees	41,000.00	
Miscellaneous Expenses	160,522.00	21,757.86
News Paper & Periodicals	12,355.00	
Pollution Control Board Fees	33,000.00	
Postage & Telegram	10,680.00	37,018.00
Preliminary Exp w / off	8,890.00	
Printing & Stationery	203,126.80	
Rent Paid Account	444,000.00	
Repair & Maintenance	679,662.00	3,181.00
Security	128,549.00	24,949.00
Service Tax - Security Transaction Tax	256.18	
Service Tax Expenses	12,291.07	
Short Prov Income Tax	49,139.00	
Subscription	13,482.00	
Telephone	563,716.61	
Test & Sample Charges	11,300.00	
Tour & Travelling	993,384.77	
Vehicle Maintainence	252,568.63	170,399.00
TOTAL	11,193,284.59	714,515.86

SCHEDULE P	31st March'2008	31st March'2007
FINANCIAL EXPENSES		
Bank Interest	8,251,516.71	
Bank Charges	910,344.50	5,066.92
LC Opening Charges	754,780.60	
Interest Paid - other	3,934.00	
Interest Paid - car loan	95,334.24	
TOTAL	10,015,910.05	5,066.92
SCHEDULE Q	31st March'2008	31st March'2007
PERSONNEL EXPENSES		
Directors Remuneration	606,000.00	
EPF Exp	15,017.00	
Salary & Wages	4,232,840.00	793,301.00
Staff Welfare	418,799.00	14,478.00
Bonus	64,750.00	
TOTAL	5,337,406.00	807,779.00

VIKAS PROFIN LIMITED

SCHEDULE – R?

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2008.

A. SIGNIFICANT ACCOUNTING POLICIES :

1.0 GENERAL:

The financial statements have been prepared as of a going concern on historical cost convention and on accrual method of accounts, in accordance with the generally accepted accounting principles and applicable Accounting Standards in India and as per the provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

2.0 FIXED ASSETS:

2.1 Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties & taxes and incidental expenses related to acquisition.

2.2 Assets are capitalized after they are certified to be complete and put to use.

3.0 DEPRECIATION:

3.1 Depreciation on all the Fixed Assets (except Leased assets sold during the year) is charged on written down value method on pro-rata basis at the rates specified in schedule XIV of the Companies Act, 1956. Before amalgamation, depreciation of all the assets was provided on straight line method as per the rates and in the manner prescribed in schedule XIV of the companies act'1956. The same has been changed to W.D.V method of accounting during the year under consideration to have uniformity of accounting policy with the other companies under amalgamation. Due to Change in Method of Accounting a sum of Rs. 94,750.30 has been debited to Profit and Loss Appropriation account during the year under consideration being additional depreciation till 31.03.2007. The effect of change in method on the current years profitability is that depreciation for the year has been reduced by Rs 59,702.95.

3.2 Depreciation on Leased Assets (acquired up to 31/03/1997) has been provided on pro-rata straight line method. Depreciation on leased assets (acquired after 31/03/1997) has been provided on Over the Lease period basis(OLP Method). All the leased assets has been sold during the year under consideration and depreciation up to the date of sale has been provided. The same has not been changed, as all the assets has already been sold during the year under consideration.

4.0 INVENTORIES:

4.1 Packing material, stores and spare parts are valued at moving weighted average cost or net realizable value whichever is lower.

4.2 Finished products are valued at lower of the cost of production or sale price. Closing balance of finished stock are accounted for on the basis of physically verified quantities.

4.3 Inventory on construction activities has been valued at cost incurred.

5.0 SHORTAGE/EXCESS:

Shortages/Excesses of Packing materials, stores & spares and finished stock arising from physical verification are charged/adjusted to consumption/ production.

6.0 SALES:

Sales are accounted for on the basis of dispatches.

7.0 INVESTMENT:

Long term Investments are stated at cost. Provision for diminution is being made to recognize a decline in the value of investment.

8.0 RETIREMENT BENEFITS:

No employee of the company has been into employment of the company for more then 5 years. Therefore no provision is accrued for gratuity and leave encashment.

9.0 DEFERRED REVENUE EXPENDITURE:

These are amortized and charged to expenses over a period of five years

10.0 DEFERRED TAXATION:

Deferred tax is recognized subject to consideration of prudence, on time differences, being the difference between taxable income and accounting income that originate in one year and capable of reversal in one or more subsequent years.

11.0 PROVISIONS, CONTINGENT LIABILITY AND ASSETS

Provisions are recognized when the company has a present obligation as a result of past events and it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

B. NOTES ON THE ACCOUNTS - 2007-2008

1.0 AMALGAMATION

The Scheme of amalgamation was filed under section 391 read with section 394 of the Companies Act'1956 w.e.f. 01.04.2007 for amalgamation of the following transferor companies namely:-

- a) **HULCHUL INTERNATIONAL PRIVATE LIMITED (HIPL)**(Which is into the business of manufacturing and Trading of PVC & Footwear and Chemicals.)
- b) **VIKAS UTILITIES PRIVATE LIMITED (VUPL)** (Which is in to the business of trading of chemicals, manufacturing of chemicals and C & F Agents of Pharmaceutical Companies.)
- c) **SOUTH DELHI PROJECTS PRIVATE LIMITED (SDPPL)** (Which is in to the business of Builders and Construction activities.)

With the transferee Company i.e. **M/s Vikas Profin Limited (VPL)**

The same has been approved by the H'ble Delhi High Court vide order no 18457/I dated 17th October'2008. The Scheme of amalgamation where under the transferor Companies are to be amalgamated in its present form or with any modification(s) approved or imposed or directed by members of the respective companies and/or by competent authority and / or by the court.

ADDITIONAL INFORMATION

The Transferor Company No 1. Hulchal International Private Limited had a Authorized Capital of Rs 50.00 Lacs divided in to 5,00,000(Five Lac) Equity shares of Rs 10/- Each. The Issued, Subscribed and Paid Up Capital of the Company was Rs 19,08,700/= (Nineteen Lacs Eight Thousand Seven Hundred only) divided in to 1,90,870 (One Lac Ninety Thousand Eight Hundred Only) Equity Shares of Rs 10/= Each. Under the scheme of Amalgamation 7(Seven) Equity Shares of Face Value of Rs 10/- Each of the transferee company has been allotted for every 3(Three) Equity Shares of the transferor company. Therefore a total of 4,45,361 Equity Shares of Rs 10/- Each has been allotted to the shareholders of Hulchul international Private Limited and the fractional share of 2.32 has to be paid in cash.

The Transferor Company No 2. Vikas Utilities Private Limited had a authorized capital of Rs 35.00 Lacs divided in to 35,000(Thirty five Thousand) Equity shares of Rs 100/- Each. The Issued, Subscribed and paid up Capital of the Company is Rs 34,97,000/= (Thirty Four Lacs Ninety Seven Thousand only) divided in to 34,970 (Thirty Four Thousand Nine Hundred Seventy) Equity Shares of Rs 10/= Each. Under the scheme of Amalgamation 107(One Hundred Seven) Equity Shares of Face Value of Rs 10/- Each of the transferee company has been allotted for every 3(Three) Equity Shares of the transferor company. Therefore a total of 12,47,257 Equity Shares of Rs 10/- Each has been allotted to the shareholders of Vikas Utilities Private Limited and the fractional share of 6.33 has to be paid in cash.

The Transferor Company No 3. South Delhi Projects Private Limited had a authorized capital of Rs 10.00 Lacs divided in to 1,00,000(One Lac) Equity shares of Rs 10/- Each. The Issued, Subscribed and paid up Capital of the Company is Rs 4,35,000/= (Four Lacs Thirty Five Thousand only) divided in to 43,500 (Forty Three Thousand Five Hundred Only) Equity Shares of Rs 10/= Each. Under the

scheme of Amalgamation 80 (Eighty) Equity Shares of Face Value of Rs 10/- Each of the transferee company has been allotted for every 3(Three) Equity Shares of the transferor company. Therefore a total of 11,59,999 Equity Shares of Rs 10/- Each has been allotted to the shareholders of South Delhi Projects Private Limited and the fractional share of 0.99 has to be paid in cash.

Therefore under the scheme of amalgamation , a total of 28,52,617 Equity Shares has been allotted. Pursuant to the scheme of amalgamation of Hulchal International Private Limited, Vikas Utilities Private Limited and South Delhi Projects Private Limited with the Company, approved by Hon'ble Delhi High Court on 17th October'2008, the entire undertaking including all assets and liabilities of the aforesaid three companies were transferred to and vested in the company with effect from 1st April'2007. The scheme has accordingly given effect to in the accounts. The amalgamation has been accounted for under the in the manner as specified in the scheme and it differs from the AS-14 " Pooling of Interest" method to a small extent that the surplus arising out of amalgamation shall be treated as Capital Reserve and accordingly the company has credited the surplus of Rs 9,65,933.60 to the Capital Reserve as per the Scheme were as this should have been transferred to Free Reserve as per AS-14.

2.0 Accounting for Construction Contracts

1. The company follows completed contract method of accounting in respect of its construction activity. Under this method, the profit of units sold is recognized only when the work in respect of the relevant units is completed or substantially completed which is determined on technical estimates & the Possession of the Area sold is handed over.
2. Unsold Portion / Portion under construction is shown at cost under the head stock in trade Construction Activity.
3. Amount received against sale of Commercial Units the construction work of which is in progress and not substantially completed are accounted for under the head Current Liabilities as and when Received

Disclosure in respect of Construction project as per AS-7 issued by the Institute of Chartered Accountants of India

- i) Unsold Stock of Real Estate Projects is Rs. 44,24,137.00
- ii) Project Payment received during the year and advances on account of contracts are

Project Payment received	Rs. Nil
Advances Received	Rs. 22.19 Lacs

3.0 CONTINGENT LIABILITIES NOT PROVIDED FOR: (Rs./Lakh)

	2007-2008	2006-07
Contingent Liability not provided For	Nil	Nil

4.0 INVESTMENT

Investments has been valued at Cost. Provision for diminution in value of investment has been Rs 5,34,693/- which has been made to the extent of the investments in Quoted and Unquoted

Shares.

Provision for Depreciation on Investment

Opening Balance(01.04.2007)	Rs. 5,34,693/=
Add : Provision made during the Year	Nil
Less : written Off, Write Back of Excess	Nil
Closing Balance	Rs. 5,34,693/=

5.0 DEFERRED TAX

Deferred Tax assets has been provided for in accordance with Accounting Standard 22- Accounting for taxes on income issued by The Institute of Chartered Accountants of India. The accumulated net deferred Liability after amalgamation up to 31.03.2008 amounting to Rs. 59,086/=. The same has been worked out after the amalgamation of all the companies.

6.0 RELATED PARTY DISCLOSURE

Disclosure of Related Party as per AS-18 issued by the Institute of Chartered Accountants of India.

Name of the Party	Relationship between parties	Description	Amount
1. Vikas Promoters Private Limited	One of the Director is Common	Loan given	Rs.31.30 Lacs
		Share Inv.	Rs.30.15Lacs
2. Vikas Polymers India	One of the Director is Partner in Firm	Loan Given	Rs.36.23 Lacs

7.0 INVENTORY

Inventory as at the close of the year of Chemicals and Compounds amounted to Rs. 301.04 Lacs which has been valued Cost or Market value which ever is Lower and at Weighted Average Cost Method. The Inventory of Construction Project has been valued at Cost.

8.0 DEBTORS & CREDITORS

8.1 Balances appearing as Debtors & Creditors are subject to confirmation.

9.0 CURRENT ASSETS

In the opinion of the Management, current assets, loans & advances have the value on realization in the ordinary course of business equal to the amount at which they are stated and all known liabilities have been adequately provided for. Adequate provision for loss on surplus/obsolete/non-moving items of stores/spares has been made based on Managements assessment.

10.0 PROVISION FOR INCOME TAX AND FBT

Provision for income Tax of Rs. 37.30 Lacs and Provision for FBT of Rs. 1.63 Lacs has been made in the accounts for the year ending 31st March'2008, which has been worked out on the basis of taxable income as per the income Tax Act'1961 after amalgamation of the companies.

11.0 The quantitative information as required vide Para II of Schedule VI of the Companies Act 1956 is as under:-

(A) LICENCED CAPACITY, INSTALLED CAPACITY & ACTUAL PRODUCTION

Finished Product (Unit)	Licensed Capacity.	Installed Capacity Certified by the Management and not verified by the Auditors	Production In M.T. 2007-2008	Production In M.T. 2006-2007
Calcite Powder	N. A.	7000 M.T.	1708.40	Nil
EVA Footwears	N. A.	5.00 Lac Pairs	2.29 Lac Pairs	Nil
EVA Compound	N.A.	750.00 Tonnes	114.15 Tonnes	Nil

(B) VALUE OF IMPORTS ON CIF BASIS

	Rs.Lakh	
	<u>2007-08</u>	<u>2006-07</u>
1. Capital Goods	1.04	NIL
2. Components & Spare Parts (Manu.)	NIL	NIL
3. Components & Spare Parts (Trading)	698.52	NIL

(C) PARTICULARS OF MATERIALS CONSUMED

(Figures in brackets are for the Previous Year)

Particulars ITEMS	IMPORTED		INDIGENOUS		Value of total Consumption (Rs.lakh)
	Value (Rs.Lakh)	% of total Consumption	Value (Rs.Lakh)	% of total Consumption	
Raw Material	Nil	Nil	11.03	100 %	11.03
Packing Material	Nil	Nil	6.13	100 %	6.13
Stores & Spares (Including Trading Consumption)	655.78	20.42 %	2556.39	79.58 %	3212.15

(D) EXPENDITURE IN FOREIGN CURRENCY

	Rs.Lakh	
	<u>2007-08</u>	<u>2006-07</u>
1. Design, Engineering, Procurement, Licence & Know-how	NIL	NIL
2. Others(Purchase and Foreign Travelling)	704.21	NIL

(E) EARNINGS IN FOREIGN CURRENCY

NIL NIL

(F) QUANTITATIVE DETAILS OF STOCK(In Rs.)

RAW MATERIAL

PARTICULAR	OPENING	PURCHASE	CONSUMPTION	CLOSING	CLOSING
	KG.	KG.	KG.	KG.	Value(In Lacs)
Chemical & Compound	36317	2696075	1672497	1059895	7.38

FINISHED GOODS

PARTICULAR	OPENING	INWARD	SALE	CLOSING
	PAIRS	PAIRS	PAIRS	PAIRS
EVA/ PVC footwear	3460	226189	229649	0

PARTICULAR	KG.	KG.	KG.	KG.	CLOSING
					Value(In Lacs)
Chemical & Compound	32577	3202527	3110924	124180	4.56

TRADING

PARTICULAR	OPENING	PURCHASE	SALE	CLOSING	CLOSING
	KG.	KG.	KG.	KG.	Value(In Lacs)
Chemical & Compound	234405.5	6663127	6070365.5	827167	289.1

12.0 REMUNERATION

	2007-08	2006-07
A. Directors' Remuneration		
1. Salary	3.60 Lacs	Nil
2. PF.Contribution	Nil	Nil
3. Leave Salary	Nil	Nil
4. Medical Expenses	Nil	Nil
5. Others	Nil	Nil
TOTAL		
B. Auditors' Remuneration		
1. Audit Fees	0.48	0.31
TOTAL		

13.0 SEGMENTAL REPORTING

The segmental reporting of the company has been prepared in accordance with accounting standard (AS-17), Accounting for Segment reporting issued by The Institute of Chartered Accountants of India.

Segment reporting Policies:-

- a) Identification of Segments :- Primary – Business Segment

Before Amalgamation the company was a single segment company. After amalgamation of three Transferor Companies, the company has identified three reportable segments viz. Display of Advertisement, which the company was already doing, manufacturing and Trading of Chemicals, Compounds and PVC and Construction Related activities on the basis of service, the risk return profile of individual business and internal business reporting systems.

Secondary – Geographical Segments

The company operates entirely in India and hence no geographical segment has been made.

- a) Revenue and expenses have been identified to the segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as allocable expenses.
- b) Segment assets and liabilities represents assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as unallocated assets and liabilities

FORMAT FOR SEGMENT REPORTING (In Rs. Lacs)

Particular	Display of Advertisement	Manufacturing & Tarding	Construction	Total
EBITDA	-64.88	188.29	42.54	165.95
Depreciation	6.45	20.09	0.1	26.64
Operating Profit	-71.33	168.2	42.44	139.31
Interest	1.33	96.68	2.18	100.19
EBT	-72.66	71.52	40.26	39.12
Less : Provision for Income Tax				35.28
less : Prov for Deferred Tax Liability				-34.34
Less : Provision for FBT				1.43
Less : Provision for Sub Std Assets				-38.7
Less : Short Prov for I Tax				0.26
Net Profit Available for Eq				75.19

14.0 EARNING PER SHARE

- a) Earnings per Share (EPS) for the year has been computed in accordance with the Accounting Standard – 20 issued by the Institute of Chartered Accountants of India after considering provision for net deferred tax liability/ asset and reversal of provisions no further required for the year.
- b) Earning per Share (EPS) for the computation as per AS-20

Profit Available for Appropriation

As per Profit & loss Account 75.19 Lacs

Weighted average number of Eq. Share As on 01-04-2007	30,02,200 Eq Shares
Add :- Eq. Shares allotted to the shareholders Of amalgamating company w.e.f 01.04.2007	28,52,626 Eq Shares
Add :- Equity Share allotted at the time of Preferential Allotment.	20,00,000 Eq Shares
Weighted Average No. of Equity Shares	78,54,826 Eq. Shares
Nominal Value per Equity Share	Rs. 10/-
Basic and Diluted EPS (Rs.)	0.96

15.0 Cash in hand has been certified by the management at the close of the year.

16.0 Previous year's figures have been regrouped/recast wherever necessary. The Previous years figures are the figures of the company for the previous year alone where as the current years figures are after the amalgamation of 3 transferor companies with this transferee company.

17.0 'Schedule "A" to "R" forms the integral part of the balance sheet and profit and loss account.

For R. K Batra & Co.
Chartered Accountants

Tarun Batra
Partner

Dr. Nand Kishore Garg
Chairman & Managing Director

Vikas Garg
Director

Sumit Bhatia
Finance Controller

Namrata Sharma
Company Secretary

S. C. Tayal
Director

Place : New Delhi

Date :- 31-10-2008

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

Registration No.	-	019465	State Code	-	55
CIN		L65999DL1984PLC019465			
Balance Sheet Date	-	31.03.2008			

II Capital raised during the year (Amount in Rs. Thousands)

Public Issue	-	NIL	Rights Issue	-	20,000
Bonus Issue	-	NIL	Private Placement	-	28517.37

Note : SHARES ISSUED TO TRANSFEROR COMPANIES ARE SHOWN UNDER PRIVATE PLAC E

III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	-	176131.45	Total Assets	-	176131.45
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Sources of Funds

Paid up Capital	-	78539.37	Reserve & Surplus	-	30432.36
Secured Loans	-	65128.66	Unsecured Loans/ Share Application	-	2031.06

Application of Funds

Net Fixed Assets	-	18578.62	Investments	-	3869.69
Net Current Assets	-	153091	Misc. Expenditure	-	591.72
Accumulated Losses	-	0			

IV Performance of Company (Amount in Rs.)

Turnover	-	357892.9	Total Expenditure	-	353980.65
Profit/ Loss before tax	-	3912.25	Profit/ Loss after tax	-	7518.62
Earning per Share in Rs.	-	0.96	Dividend rate %	-	N.A.



V Generic Names of Three Principal Products/ Services of Company (as per monetary terms)

Item Code No. -

Product -

Description -

Item Code No. -

Product -

Description -

Item Code No. -

Product -

Description -

CASH FLOW STATEMENT FOR THE PERIOD ENDING 31st MARCH, 2008

<u>PARTICULARS</u>	CURRENT YEAR FIGURES (AMOUNT IN Rs.'000)	PREVIOUS YEAR FIGURES (AMOUNT IN Rs.'000)
<u>A). CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit before tax and extraordinary items	3,912.25	1,329.71
Adjustments for		
a) Depreciation including Addl Dep Due to Change	2,664.78	699.81
b) Foreign Exchange	-	-
c) Profit on sale of investment	-	-
d) Interest	-	-
e) Dividends	-	-
f) Profit on Sale of Fixed Assets	-	-
Totals of Adjustments	2,664.78	699.81
CASH GENERATION	6,577.03	2,029.52
Additions		
a) Interest	-	-
b) Expenses Written / Off	153.42	-
c) Loss on Sale of Fixed Assets	4,161.34	23.84
d) Profit on Sale of Fixed Assets	(1,884.55)	-
e) Bad Debts w/off	-	-
f) Loss on sale of Investment	468.75	-
	2,430.21	23.84
Operating Profits before Working Capital Changes	9,007.24	2,053.36
Adjustments for Working Capital Changes		
a) Trade Receivables	(113,893.78)	(883.51)
b) Inventories	(58,115.67)	10,500.00
c) Advances	(22,041.10)	(2,956.26)
d) Trade Payables	58,477.05	(3,695.54)
	(135,573.50)	2,964.69

CASH FLOW STATEMENT FOR THE PERIOD ENDING 31st MARCH, 2008

<u>PARTICULARS</u>	CURRENT YEAR FIGURES (AMOUNT IN Rs.'000)	PREV. YEAR FIGURES (AMOUNT IN Rs.'000)
CASH GENERATION FROM OPERATIONS	(126,566.26)	5,018.05
Less :- Interest paid	-	-
Less :- Taxes paid	(3,697.63)	<u>(1,020.01)</u>
Cash Flow before Extraordinary items	(130,263.89)	3,998.04
Extra Ordinary items	7,304.00	
Deferred Revenue Expenditures	<u>(745.14)</u>	<u>-</u>
NET CASH GENERATED FROM OPERATIONS	(123,705.03)	3,998.04
B). CASH FLOW FROM INVESTING ACTIVITIES		
a) Purchase of Fixed Assets	(10,448.14)	-
b) Sales of Fixed Assets	12,381.59	1,386.05
c) Assets Taken Over of Transferee Co's	(12,329.78)	-
d) Sale-Purchases of Investments (Net)	(300.00)	(3,035.00)
e) Profit/Loss-Sale of Investments(Net)	-	-
f) Interest Received	-	-
g) Dividend Received	-	-
h) Defered Tax Assets	-	-
	<u>(10,696.33)</u>	<u>(1,648.95)</u>
Net Cash Flow From Investing Activities	(10,696.33)	(1,648.95)
C). CASH FLOW FROM FINANCING ACTIVITIES		
a) Receipt From Issue of Share Capital	40,000.00	-
b) Shares and Reserves of Transferor Co's	32,015.93	-
b) Proceeds From Long Term Borrowings	65,128.66	-
c) Dividends Paid	-	-
d) Unsecured Loans	<u>2,031.06</u>	<u>-</u>
	139,175.65	-
Net Cash Flow From Financing Activities	139,175.65	-
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	4,774.29	2,349.09
CASH AND CASH EQUIVALENTS AS ON 31.03.2007	2,583.81	234.72
CASH AND CASH EQUIVALENTS AS ON 31.03.2008	7,358.10	2,583.81

For R. K Batra & Co.
Chartered Accountants
Tarun Batra
Partner

Dr. Nand Kishore Garg
Chairman & Managing Director
Sumit Bhatia
Finance Controller

Namrata Sharma
Company Secretary

Vikas Garg
Director
S. C. Tayal
Director

Place : New Delhi
Date :- 31-10-2008

VIKAS PROFIN LIMITED

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

FORM OF PROXY

L.F. No.
 D.P. ID*
 Client ID*

I/WE of
being a member / members of Vikas Profin Ltd. here by appoint
 of or failing him/her
 of as my / our proxy to vote for me/us
 on my/our behalf at the 23rd Annual General Meeting of the Company to held at 11:30 AM
 on 6th December 2008 and any adjournment thereof.

Signed this day of 2008.

(Signature of the Share Holder)

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

*Applicable for investors holding shares in electronic form.

VIKAS PROFIN LIMITED

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

ATTENDANCE SLIP

L.F. No.
 D.P. ID*
 Client ID*

NAME	FATHER'S/HUSBAND NAME	SIGNATURE (MEMBER /PROXY)

Note: (1) Attendance slip not filled in properly will not be entertained
 (2) All joint holders should use only one slip.
 (3) Bags / briefcases are not allowed inside the venue and the Company shall not be responsible for the loss of the same.

* Applicable for investors holding shares in electronic form.



inspires growth



VIKAS PROFIN LIMITED

Regd. Office : F-6, 34/1, Vikas House, East Punjabi Bagh, New Delhi - 110 026