

Chaudhary Pandiya & Co.
Chartered Accountants

**AUDITOR'S COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE
TO THE MEMBERS OF VIKALP SECURITIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by Vikalp Securities Limited for the financial year ended 31st March, 2008 as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchanges in India.

The compliance of conditions of the Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. IT is neither an audit nor an examination of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with all material respect with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

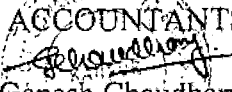
We state that no investor grievances are pending for a period exceeding one month against the Company as per records maintained by the company, shareholders/investors grievances committee.

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

Place :- Kanpur

Date :- 29-08-2008

FOR CHAUDHARY PANDIYA & COMPANY
CHARTERED ACCOUNTANTS


Ganesh Chaudhary
PARTNER
M.No. 70838

513, Plaza Kalpana, 24/147 - B, Birhana Road Kanpur-208001

Tel. : 2348095 (O) , 2365737 (R) Telefax : 0512-3017028

e-mail : ganeshchaudhary@hotmail.com

Chaudhary Pandiya & Co.
Chartered Accountants

TO WHOM IT MAY CONCERN

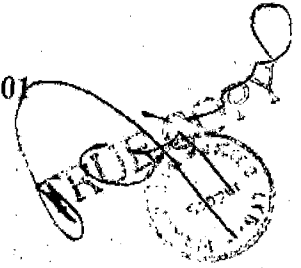
This is to certify that Net Worth of VIKALP SECURITIES LIMITED, 26/73, Karachi Khana, Kanpur is amounting Rs. 3,00,73,825.76 (Three Crore Seventy Three Thousand Eight Hundred Twenty Five & Paise Seventy Six Only) as on 31-03-2008 on the basis of books of account & records produced us.

FOR CHAUDHARY PANDIYA & COMPANY
CHARTERED ACCOUNTANTS


Ganesh Chaudhary
PARTNER
M.No. 70838

Place:- Kanpur
Dated:- 29/8/08

513, Plaza Kalpana, 24/147 - B, Birhana Road Kanpur-208001
Tel. : 2348095 (O) , 2365737 (R) Telefax : 0512-3017028
e-mail : ganeshchaudhary@hotmail.com



Chaudhary Pandiya & Co.

Chartered Accountants

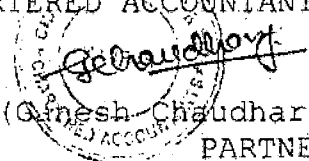
AUDIT REPORT

We have audited the attached Balance Sheet of M/s Vikalp Securities Ltd. as at 31st March, 2008 and the Profit and Loss Account for the year ended on that date annexed thereto and report that :

- (a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion, proper books of account and records as specified in Rule 15 of the Securities contracts (Regulation) rules, 1957 have been kept so far as appears from our examination of such books.
- (c) The Stock Broker has complied with the requirements of the stock Exchange so far as they relate to maintenance of accounts and was regular in submitting the required accounting information to the Stock Exchange.
- (d) The Balance Sheet and the Profit & Loss Account referred to in this report are in agreement with the books of account.
- (e) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss Account read together with the notes thereon give a true and fair view insofar as it related to the Balance Sheet, of the State of affairs of M/s. Vikalp Securities Ltd., and insofar as it relates to the Profit & Loss Account of the profit of M/s. Vikalp Securities Ltd., for the year ended on that date."

PLACE : KANPUR
DATED : 29-08-2008

FOR CHAUDHARY PANDIYA & CO.
CHARTERED ACCOUNTANTS


(Ganesh Chaudhary)
PARTNER
M.NO. 70838

513, Plaza Kalpana, 24/147-B, Birhana Road Kanpur-208001
Tel.: 2348095 (O), 2365737 (R) Telefax: 0512-3017028
E-Mail: ganeshchaudhary@hotmail.com

AUDITOR'S REPORT

To,
THE MEMBERS OF VIKALP SECURITIES LIMITED KANPUR

1. We have audited the attached Balance Sheet of M/S VIKALP SECURITIES LIMITED and the Profit & Loss Account and the cash flow statement for the year ended 31st March 2008 and report as follows.

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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of subsection (4A) of Sec. 227 of the Companies Act, 1956. We enclose in the Annexure statement on the matters specified in paragraphs 4 and 5 of the said order.

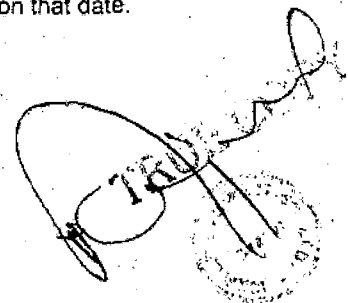
4. Further to our comments in the Annexure referred to above, we report that :

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion proper book of account as required by law have been kept by the company so far as appears from our examination of the books.
- c. The Balance Sheet & Profit & Loss account and Cash Flow Statement are in agreement with books of Account.
- d. In our opinion the Profit & Loss, Balance Sheet, Cash Flow Statement dealt with by this report company with the requirement of the Accounting standards referred to in Section 3 (C) of Section 211 of the Companies Act, 1956. Except accounting standard AS 9 relating to income recognition in respect of dividend income as per note No. 1.7 (C) of Schedule 10 of the balance Sheet.
- e. On the basis of the written representation received from the directors, and taken on record by the Board of Director, we report that none of the directors is disqualified as on 31st March 2007 from being appointed 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 give the information required by the Companies Act, 1956 in manner so required give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (i) In the case of Balance Sheet of the state of affairs of the Company as at 31st March 2008.
 - (ii) In the case of the Profit & Loss account of the Profit for the year ended on that date.
 - (iii) In the case of Cash Flow Statement of the Cash Flow for the year ended on that date.

**FOR CHAUDHARY PANDIYA & CO.
CHARTERED ACCOUNTANTS**


**GANESH CHAUDHARY
PARTNER
M.N.70838**

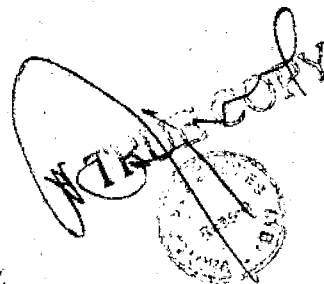
**PLACE :- KANPUR
DATE :- 29-08-2008**



ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE.

RE: VIKALP SECURITIES LIMITED

- 1) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) All fixed assets have been physically verified by the management during the year. As informed No material discrepancies were noticed on such verification.
(c) There was no disposal of fixed assets during the year.
- 2) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventory and as informed no material discrepancies were noticed on physical verification.
- 3) (a) According to the information and explanation given to us the company has granted unsecured loan to a company, whose maximum balance at any time during the year is Rs. 231285/- covered in the register maintained under section 301 of the Companies Act, 1956 and the balance outstanding at the end of the year amounts to Rs. 231285/-
(b) No interest has been charged on the said advance & all terms & condition of unsecured loans granted by the company are prima facie not prejudicial to the interest of the company.
(c) In our opinion and according to the information and explanation provided to us, the company is not paying the principal according to the terms and conditions of the loan given.
(d) In our opinion and according to the information and explanation given to us the amount granted to company is overdue but the accounts is regular.
(b) (i) According to the information and explanations given to us the company has taken unsecured loan from two other parties covered in the register maintained under section 301 of the Companies Act, 1956 whose maximum balance at any time during the year is Rs. 2277016 and the balance outstanding at the end of year in Rs. 1990000/-
(b) No interest has been charged on the said loan taken by the company & other terms & condition of unsecured loans are prima facie not prejudicial to the interest of the company.
(c) In our opinion and according to the information and explanation provided to us, the company is regular in payment of principal.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system.
- 5) (a) Based on the audit procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that there is transactions that need to be entered into the register maintained under section 301, of the companies Act, 1956 and they are entered into the register
(b) In our opinion and according to the information and explanation given to us, there is transaction with parties with whom transactions exceeding value of Rupees Five Lakhs have been entered into during the financial year are at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 6) The company has not accepted any deposits from the public.
- 7) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- 8) Since the company is doing share broking and investment business the requirement of para (VIII) of the clause 4 of order does not apply.

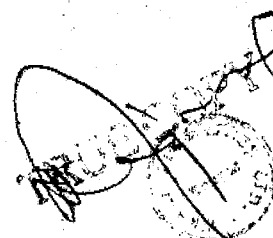


- 9) (a) According to the records of the company, the company is regular in depositing undisputed statutory dues including Income Tax, Service Tax, Securities Transaction Tax and other statutory dues applicable to it with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Service Tax, S T T & other applicable statutory dues were outstanding, at the year end for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there are no dues outstanding of Income Tax, Service Tax and other applicable statutory dues on account of any dispute
- 10) The Company has cumulative losses of less than 50% of its net worth at the end of the year but the company has earned profit during the year as well as in the immediately preceding the financial year.
- 11) Based on our audit procedures and on the information and explanations given by the management, the Company does not have any borrowings from financial institutions, banks or by way of debentures.
- 12) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi/mutual benefit fund/ societies.
- 14) In respect of dealing/trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures, and other securities have been held by the company, in its own name.
- 15) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- 16) The Company do not have any term loans during the year.
- 17) The Company do not have any short term borrowings during the year.
- 18) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.
- 19) The Company has not issued any debenture during the year.
- 20) The Company has not raised any money through a public issue during the year.
- 21) In our opinion and according to the information and explanations given to us the company has not noticed or reported any fraud on or by the Company.

FOR CHAUDHARY, PANDIYA & CO.
CHARTERED ACCOUNTANTS


GANESH CHAUDHARY
PARTNER
M.N.70838

PLACE :- KANPUR
DATE :- 29-08-2008



VIKALP SECURITIES LIMITED
BALANCE SHEET AS AT 31ST MARCH 2008

SOURCE OF FUNDS	Schedule No.	CURRENT YEAR (31.3.2008)	PREVIOUS YEAR (31.3.2007)
Share Capital	"1"	30519000.00	30519000.00
TOTAL		30519000.00	30519000.00
APPLICATION OF FUND			
FIXED ASSETS			
Gross Block		569813.47	495313.47
Less :- Depreciation	"2"	451369.58	371762.19
Net Block		118443.89	123551.28
Investments	"3"	6560967.05	6546887.05
Fixed Assets & Investments		6669410.94	6670438.33
Inventories		1646121.28	1646121.28
Loan & Advances	"4"	19301338.23	13156134.81
Sundry Debtors	"5"	3876670.26	7216544.92
Cash & Bank Balance	"6"	732594.31	738741.80
Total Current Assets Loans & Advances		25556724.08	22757542.81
Less:-Current Liabilities & Provision	"7"	2152309.26	148022.00
Net Current Assets		23404414.82	22609520.81
Profit & Loss Account			
Balance as per last Balance Sheet		1239040.86	1222685.79
Less Profit During the year		-793866.62	16355.07
		445174.24	1239040.86
Note to Accounts	"9"		

Total Rs.

TOTAL

30519000.00

30519000.00

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR CHAUDHARY PANDYA & CO.
CHARTERED ACCOUNTANTS

(GANESH CHAUDHARY)

PARTNER
M.N.70838

PLACE:KANPUR
DATED: 29-08-2008

FOR AND ON BEHALF OF THE BOARD

ARUN K. RIWAL DIRECTOR

SHARAD TANDON DIRECTOR

LALTA PRASAD DIXIT DIRECTOR

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VIKALP SECURITIES LIMITED

Profit & Loss Account for the Year ended on 31st March 2008

	Schedule No.	CURRENT YEAR	PREVIOUS YEAR
INCOME			
Sales Delivery		0.00	17780828.94
Interest Nett		1158543.35	868541.16
Dividend		13296.25	54031.25
Other Income		0.00	519.98
Profit in Share Dealing (Without Delivery)		47284.68	1956730.57
Long term Capital Gain		0.00	1811410.27
Rent Recd		111450.00	43750.00
Interest on F D R A/C		8052.81	0.00
TOTAL		1338637.09	22525812.17
EXPENDITURE			
Purchases Delivery		0.00	18122669.29
Decrease in Stock		0.00	735296.94
Administrative Expenses	"8"	320115.16	910198.19
Depreciation		79807.39	12512.83
Future Option Trading Loss		0.00	2147845.30
TOTAL		399722.55	21928522.55
PROFIT / (LOSS)			
Profit/(Loss) During the year		938914.54	597289.62
Excess Interest Income of previous year written back		-19896.92	-546254.69
Securities Trans. Tax Paid		-13817.00	-67016.00
Less:- MAT		-95420.00	-374.00
Fringe Benefit Tax		0.00	
Differed Tax		-15914.00	
Profit/(Loss) Carried to Balance Sheet		793866.62	-16355.07

Face Value per Share- Rs. 10/-

Earning Per Share (Basic & Diluted) Rs.

0.26

-0.005

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR CHAUDHARY PANDIYA & CO.
CHARTERED ACCOUNTANTS


(GANESH CHAUDHARY)

PARTNER
M.N:70838

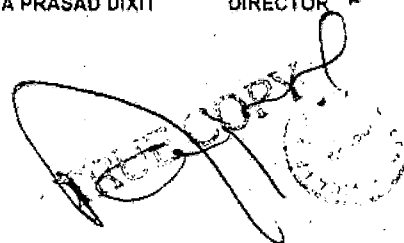
PLACE: KANPUR
DATED: 29-08-2008

FOR AND ON BEHALF OF THE BOARD

ARUN K. RIWAL DIRECTOR

SHARAD TANDON DIRECTOR

LALTA PRASAD DIXIT DIRECTOR



VIKALP SECURITIES LIMITED

Schedule forming part of Balance Sheet

Schedule "1"

Schedule No. 1

SHARE CAPITAL

Authorised

3500000 Equity Share of Rs. 10/-
Each

Issued, Subscribed & Paid Up.

3051900 Equity Share of Rs. 10/-
Each

CURRENT YEAR

PREVIOUS YEAR

35000000.00

35000000.00

30519000.00

30519000.00

TOTAL

30519000.00

30519000.00

Schedule No. 3

INVESTMENTS

U.P. Stock Exchange Association Ltd Member Ship

Heritage of Sterling Holiday

Shares & Deb. (Market Value Rs. 5521976.96)

1000000.00

1000000.00

145100.00

145100.00

5405867.05

5401787.05

TOTAL

6550967.05

6546887.05

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Schedule Forming Part of Profit & Loss Account.

Schedule No. 8

VIKALP SECURITIES LIMITED

ADMINISTRATIVE EXPENSES

CURRENT YEAR

PREVIOUS YEAR

Audit Fee	19950.00	19950.00
Bank Charges	9458.80	6072.00
Electric Exp.	0.00	7327.00
Legal Expenses	13224.00	16000.00
Listing Fee & UPSE Charges	48700.00	0.00
Postage & Telephone	5161.54	5555.23
Rent	41800.00	39600.00
Misc Exp.	0.00	6137.06
D.Mat Charges	1463.26	2680.00
Transaction Charges	0.00	443653.48
U.P.S.E. Expenses	12700.00	12600.00
Computer Maintenance	2250.00	0.00
Advertisement Expenses	10710.00	6885.00
I.D.F. Contribution	34699.56	68908.54
I.P.F. Contribution	0.00	100.00
Stamp Duty	0.00	148729.88
U.P.S.E. Annual Charges	0.00	6000.00
Managing Director Salary	120000.00	120000.00

TOTAL

320115.16

910198.19

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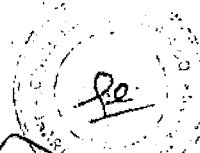


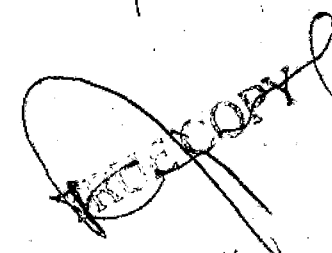

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VIKALP SECURITIES LIMITED
INVESTMENT IN SHARES
(AS ON 31.03.2008)

SCRIPT NAME EQUITY SHARE QUOTED	FACE VALUE	QTY AS ON 31.03.2008	COST 31.03.2008	MARKET VALUE 31.03.2008	QTY AS ON 31.03.2007	COST 31.03.2007
ANIL CHEMICAL LIMITED	10.00	100.00	1960.00	1216.00	100.00	1960.00
BATA INDIA LIMITED	10.00	72.00	4451.50	10256.40	72.00	4451.50
BETA NEPTHOL LIMITED	10.00	100.00	3600.00	3600.00	100.00	3600.00
BRITANNIA INDUSTRIES LTD	10.00	6.00	1089.06	8094.90	6.00	1089.06
COLGATE INDIA LIMITED	10.00	16.00	4406.63	5892.80	16.00	4406.63
CENTUM ELECTRONICS	10.00	250.00	0.00	24312.50	0.00	0.00
D.C.L.MARITECH LIMITED	10.00	100.00	775.00	775.00	100.00	775.00
E.MERCK LIMITED	10.00	54.00	4050.00	28917.00	54.00	4050.00
FIDILITY INDUSTRIES LTD	10.00	1200.00	59400.00	5220.00	1200.00	59400.00
FLORA WALL COVERING LTD	10.00	4500.00	13500.00	13500.00	4500.00	13500.00
HERO HONDA MOTOR LTD	10.00	150.00	6420.00	104182.50	150.00	6420.00
HIND EVERST TOOLS LTD	10.00	280.00	2950.00	7896.00	280.00	2950.00
HILTON RUBBER LIMITED	10.00	500.00	6850.00	13850.00	500.00	6850.00
HINDALCO INDUSTRIES LTD	10.00	385.00	33060.00	63563.50	385.00	28980.00
INDIAN HOTELS LIMITED	10.00	20.00	988.00	2244.00	20.00	988.00
INVELL TRANSMISSION LTD	10.00	700.00	68755.00	68755.00	700.00	68755.00
ISPAT PROFILE LIMITED	10.00	362.00	1991.00	2534.00	362.00	1991.00
KESORAM TEXTILES LTD	10.00	116.00	0.00	29.00	116.00	0.00
KOTHARI INDUSTRIES LTD	10.00	100.00	16025.00	120.00	100.00	16025.00
MAHARASTRA SAFTY LTD	10.00	500.00	11136.36	11136.36	500.00	11136.36
MATHER & PLATT NEW	10.00	13.00	285.00	1713.40	13.00	285.00
SECALS INDIA LIMITED	10.00	175.00	11025.00	11025.00	175.00	11025.00
SHAAN INTERWELL LIMITED	10.00	900.00	56925.00	56925.00	900.00	56925.00
SOLECTRON E.M.S INDIA	10.00	250.00	0.00	45275.00	0.00	0.00
SUDARSHAN CHEMICAL LTD	10.00	80.00	21400.00	7696.00	80.00	21400.00
SWILL INDIA LIMITED	10.00	76.00	4256.00	1565.60	76.00	4256.00
TARAI FOOD LIMITED	10.00	350.00	5600.00	1575.00	350.00	5600.00
PARAMOUNT COSMATICS	10.00	300.00	13950.00	2100.00	300.00	13950.00
VARUN POLY LIMITED	10.00	1128.00	7332.00	7332.00	1128.00	7332.00
VIDEOCON INDUSTRIES LTD	10.00	122.00	43686.50	10675.00	122.00	43686.50
UNQUOTED SHARES						
PREMEIR METOCOST PVT. LTD	10.00	150000.00	1500000.00	1500000.00	150000.00	1500000.00
NEETI REAL ESTATE	10.00	50000.00	500000.00	500000.00	50000.00	500000.00
GOKHELAY AGENCIES (P) LTD	100.00	6000.00	3000000.00	3000000.00	6000.00	3000000.00
TOTAL		218905.00	5405867.05	5521976.96	218405.00	5401787.05

VIKALP SECURITIES LIMITED

FIXED ASSETS 31-03-2008

Schedule '2'

ASSETS	Rate of Dep.	GROSS BLOCK		TOTAL	DEPRECIATION		NET BLOCK	
		AS ON 01.04.2007	ADDITIONS		AS AT 31-03-2007	FOR THE YEAR	AS AT 31.03.2008	AS AT 31.03.2007
GENERATOR	4.75%	30000.00	-	30000.00	15904.35	1425.00	17329.35	12670.65 ✓ 14095.65
OFFICE EQUIPMENT	4.75%	16947.39	-	16947.39	8004.37	805.00	8809.37	8138.02 ✓ 8943.02
FURNITURE & FIXTURES	6.33 %	26191.08	-	26191.08	24127.99	1657.89	25785.88	405.20 ✓ 2063.09
EPABX	4.75%	15000.00	-	15000.00	7952.16	712.50	8664.66	6335.34 ✓ 7047.84
AIR CONDITIONERS	4.75%	20000.00	-	20000.00	10603.17	950.00	11553.17	8446.83 ✓ 9396.83
COMPUTERS	16.21%	387175.00	9500.00 (03-10-2007) 65000.00 (1-4-2007)	461675.00	305170.15	74057.00	379227.15	82447.85 ✓ 82004.85
TOTAL : RS.		495313.47	74500.00	569813.47	371762.19	79607.39	451369.58	118443.89 ✓ 123551.28
Previous Year :-		419163.47	76150.00	495313.47	359249.36	12512.83	371762.19	123551.28

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Schedule No. 5

VIKALP SECURITIES LTD

SUNDRY DEBTORS

	Less than Six Month	More than Six Months	Total
Arun Goel	0.00	1161746.00	1161746.00✓
Asia Corp Securities Ltd	0.00	76797.20	76797.20✓
Reena Arora	0.00	302700.00	302700.00✓
U.P.S.E Dely A/c.	0.00	109131.13	109131.13✓
Vipin Arora	0.00	2250.00	2250.00✓
Vikas Saraf	0.00	647670.76	647670.76✓
Sita Maheshwari	0.00	601375.00	601375.00✓
Gopal Krishna Gupta	0.00	975000.00	975000.00✓
Inida Bulls Securities Limited	0.00	0.17	0.17✓

TOTAL	0.00	3876670.26	3876670.26✓
Previous Year	430261.53	6786283.39	7216544.92



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Schedule No. 6.

VIKALP SECURITIES LTD

	2008	2007
"6"	AMOUNT	AMOUNT
BANK BALANCES		
Standard Chartered Bank FDR A/c	121569.12	133403.23
Standard Chartered Bank Broker	9507.66	12010.34
Nainital Bank Ltd.	4568.52	4568.52
Cash in Hand	108403.25	163941.12
Standard Chartered Bank Main A/c	480695.76	424618.59
State Bank of Indore	7850.00	0.00
TOTAL	732594.31	738741.80

CURRENT LIABILITIES & PROVISIONS

	2008	2007
"7"	AMOUNT	AMOUNT
CREDITORS		
Chaudhary Pandiya & Co.	50582.00	50632.00
Telephone Exp. Payable	393.26	0.00
Salary Payable	0.00	30000.00
Fringe Benefit Tax Payable	0.00	374.00
Arun Kejriwal	1990000.00	0.00
M A T Payable	95420.00	67016.00
Deferred Tax Liability	15914.00	
TOTAL	2152309.26	148022.00

LOAN & ADVANCES

	2008	2007
"4"	AMOUNT	AMOUNT
LOANS		
Vibhash Agarwal	500000.00	500000.00
Anup Mehrotra	880262.00	336000.00
Asia Corp Securities Ltd.	500000.00	500000.00
D.N.Mehrotra	768262.00	224000.00
Mudit Impex	3000000.00	5500000.00
Orchit Cap Fin. Pvt. Ltd.	500000.00	500000.00
V.V.S.Concast	1575000.00	1575000.00
M.G. Construction	1639211.42	1625838.00
A.P. Sungandhi Products (P) Ltd.	1200000.00	0.00
Panna Lal Banarasi Dass	1000000.00	0.00
M.K.U. Private Limited	2646930.00	524208.00
Renu Agarwal	0.00	500000.00
Aditya Agarwal	102390.00	0.00
Anil Kumar Agarwal	205523.00	0.00
Amar Nath Agarwal H.U.F	800000.00	0.00
Anjana Agarwal	102390.00	0.00
Meera Singhal	300000.00	0.00
Savaria Roller Flour Mills	1002712.00	0.00
V.K.Enterprises	500000.00	0.00
G.K.Traders	506378.00	0.00
	17729058.42	11785046.00

ADVANCES

(Unsecured Unconfirmed Considered Good)

	2008	2007
	AMOUNT	AMOUNT
Advance to LIC	8175.00	8175.00
Kundan Casting P.Ltd.	1611.00	1611.00
U.P.S.E Computer A/c.	38500.00	38500.00
Vrindavan Construction	231285.00	231285.00
Capital Adequacy A/c.	90200.00	90200.00
KESA Security Deposit	3309.00	3309.00
T.D.S	553813.11	352622.11
Keshav Fincon Ltd.	508824.70	508824.70
Pradhi Kasera	31562.00	31562.00
U.P.S.E Cash Margin	100000.00	100000.00
Skyline Financial Services	5000.00	5000.00
TOTAL	1572279.81	1371088.81

19301338.23

13156134.81

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NOTES FORMING PART OF THE ACCOUNTS

SCHEDULE '9'

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 ACCOUNTING CONVENTION

The accounts have been prepared under the historical cost convention and on going concern basis.

1.2 FIXED ASSETS

Fixed Assets are stated at cost less depreciation.

1.3 DEPRECIATION

Depreciation is provided on straight line method as per schedule XIV of the companies Act 1956.

1.4 STOCK IN TRADE

1. Share, debentures, units & Securities are accounted under Stock in trade on trade dates.
2. The cost of stock in trade includes brokerage but does not include stamp duty which is charged to revenue.

1.5 VALUATION OF STOCK IN TRADE

Stock has been valued at cost instead of cost or market value which ever is lower because the company is doing business of shares & securities as broker of Stock Exchange.

1.6 INVESTMENT

The investments are longterm investment and are valued at cost since the company is doing business in share market therefore no provision is being made for diminution in the investments. The company Debits &/or Credits the profit & loss account under head the long term Profit & /or losses on sales of the investments.

1.7 INCOME

- (a) In respect of contracts relating to shares without taking or giving deliveries profit or Losses are accounted for on squaring up dates.
- (b) Income from dealing in shares / Securities is recognized on the basis of matched contracts of similar deliveries dates for purchase & sales entered during the year.
- (c) Dividend on investment in shares & Securities are accounted for on receipt basis.

1.8 EXPENSES

All expenses are accounted on accrual basis.

2. CONTINGENT LIABILITIES

NIL

NIL

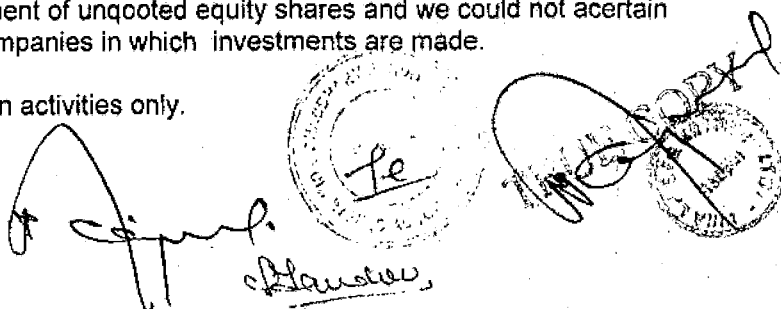
2.1 SEBI Turnover fee not acknowledge as debts. Indeterminate Indeterminate

2.2 Profit/(Loss) in trading of shares amounting Rs.47284.68 (Previous Year 1966730.57) represent the net effect of transactions without involvement of deliveries of shares & securities.

2.3 Company purchased membership of U.P Stock Exchange Association Limited in the year 1995-96 for Rs. 10,00,000/- (face value Rs. 2000/- & Security deposit Rs. 10000/-)

There is no diminution in the value of Investments as on 31st MARCH 2008 Previous Year diminution is Rs 181875.60 had not been accounted for as per the guidelines of AS-13 issued by the ICAI because company is doing business of shares & securities & is a broker of Stock Exchange. The profit /loss will be accounted for on sale of these securities as it is the main business of the company. The company has not accounted for diminution of the investment of unquoted equity shares and we could not ascertain the same in want of the final accounts of the companies in which investments are made.

2.5 During the year company engaged in speculation activities only.



2.6 Company deposit & Withdraw shares & Securities as Margin money with U.P.S.E. Ltd. time to time as per norms of Stock Exchange.

2.8 Company invested Rs. 1,45,100/- in Holiday Resorts of sterling Securities Ltd. and valued at cost (Market value not known).

2.9 Debtors, Creditors, Loans & Advances accounts are subject to confirmation.

2.11 In our opinion the debtors outstanding for more than six months amounting to Rs. 38.77 Laks (Previous Year 67.86 Laks) seems to be irrecoverable but has not been provided for as the management informed that they are recoverable & management has recovered some old outstanding during the year.

2.12 There are no amount remaining unpaid to small scale undertaking with in the meaning of "The Interest on delayed payment to small scale & ancillary undertaking Act."

2.13 Maximum balance due from firm in which directors are interested.
M/s Atmaram Kejriwal & Co. :- Rs. NIL (Previous Year-2853000)

3. Payment of Auditors	2007-2008	2006-2007
Audit Fee including service tax	19950.00	19857.00

4. Quantitative information of Opening Stock, Purchases, Sales and Closing Stock.

	No. of Shares	Current Year Amounts	No of Shares	Previous Year Amounts
Opening Stock	43284	1646121.28	47785	23,81,418.22
Purchases	NIL	NIL	NIL	NIL
Sales	NIL	NIL	4500	7,35,296.94
Closing Stock	* 43340	1646121.28	43284	16,46,121.28

* Closing stock of equity shares of A B B Limited is 70 shares of Rs. 2/- each insted of 14 equity shares of Rs. 10/- each due to corporate action of the company.

The company has received 250 equity shares of centum electronics & 250 equity shares of solectron EMS India in demate account of the company the details of receipt of those shares are not available as these are neither purchase nor any other transaction.

5. Impairment of Assets:-

The indicators listed in paragraph 8 to 10 of accounting standard (AS-28) " Impairment of Assets" issued by the Institute of Chartered Accountants of India have been examined and on such examination, it has been found that none of the indicators are present in the case of the company.

6. Related Party Disclosures:-

A. Related Party & their relationship as per accounting standard 18 of the Institute of Chartered Accountants of India

1. Directors

Arun Kejriwal
Sharad Tandon
Laita Prasad Dixit
T.N. Agarwal
Shiv Kumar Trivedi

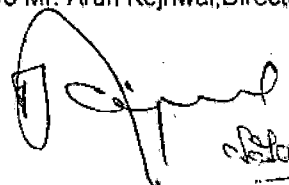
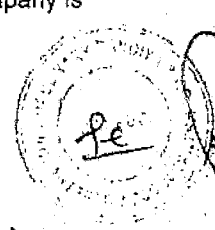

2. Enterprises in which key management personal & their relatives are interested:-

a) Vrindavan Construction Pvt Ltd.

Mr. Arun Kejriwal Director of the company is
a director in this company.

b) Atmaram Kejriwal & Co.

Proprietor Mrs. Nisha Kejriwal.
W/o Mr. Arun Kejriwal, Director

3. Relatives of Directors:-

Mrs. Nisha Kejriwal - W/O Mr. Arun Kejriwal
Mrs. Shalini Kejriwal Sister of Mr. Arun Kejriwal

B. Transaction during the period with related parties are as under:-

Particulars	Subsidiaries	Associates (Rs.)	Key Management Personal and their relatives (Rs.)	Total	Previous Year (Rs.)
Sale of Shares					254123.40
Purchases of Shares					730862.25
Loan taken			3030000.00	3030000.00	3593409.77
Loan repaid			1107016.00	1107016.00	3593409.77
Receipts					1352250
Advance Given		231285.00		231285.00	1352250.00
Remuneration			120000.00	120000.00	120000.00

Note:-

Name of related party & description of relationship.

1. Associates : M/s Atmarani Kejriwal & Co., Atmarani Arun Kumar H.U.F.
Vrindavan Construction Pvt. Ltd. Shalini Kejriwal

2. Key Management Personal : Arun Kejriwal,

3. Relatives of key management personal:- Smt. Nisha Kejriwal, Smt. Shalini Kejriwal

7. (i) The company has provided deferred tax liability of previous year & current year as per the guidelines provided by accounting standard -22 for accounting for on Institute of Chartered Accountants of India as there is possibility of income in subsequent year. Deferred taxes Income Taxes Liability due to timing difference of depreciation.

Upto previous year Deferred Tax Liability	Rs. 17825-00
Deferred tax assets of current year due to timing difference of depreciation	Rs. 1911-00
Deferred Tax Liability	Net Rs. 15914-00

(ii) The company has provided Income Tax (MAT) during the year Rs. 95420/- as per the provisions of income tax act, 1961.

(iii) There is no provision of Fringe Benefit Tax because the company has not incurred expenditure which are covered under that statute.

B.E.P.S.

The Basic/Diluted Earning per share of the company as per the guidelines of the accounting standard AS-20 is as:-

Basic/Diluted EPS Rs.0.26 Previous Year (-) (0.005)

9. Employee Benefit :- Since the Company do not have any employee during the year provision of Gratuity, Leave encashment & other benefits are not required as per the recommendations of Account Standard (AS-15) prescribed by the Institute of Chartered Accountants of India.

10. The other applicable accounting standard as per the provision of Companies Act, has been followed by the company.

11. Previous year figures have been regrouped/rearranged wherever necessary, to make them comparable.

Signature to Schedules and Notes to the Accounts.

FOR CHAUDHARY PANDIYA & CO.
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

GANESH CHAUDHARY
PARTNER

ARUN KEJRIWAL
(DIRECTOR)

SHARAD TANDON
(DIRECTOR)

PLACE :- KANPUR
DATE :- 29-08-2008

LALTA PRASAD DIXIT
(DIRECTOR)

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NOTES FORMING PART OF THE ACCOUNTS**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE-PART IV****1. REGISTRATION DETAILS**

Registration No. 7727

State Code 20

Balance Sheet Date

31 03 2008

Date Month Year

II CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)

Public Issue

NIL

Right Issue

NIL

Bonus Issue

NIL

Private Placement

NIL

II POSITION OF MOBILIZATION AND DEPLOYMENT OF FUND (AMT. IN RS. THOUSANDS)

Total Liabilities

30519

Total Assets

(Net of current Liabilities)

30519

SOURCES OF FUNDS

Paid up Capital

30519

Reserves and Surplus

NIL

Secured Loans

NIL

Unsecured Loans

NIL

APPLICATION OF FUND

Net Fixed Assets

118

Investments

6551

Net Current Assets

23404

Miscellaneous Expenditure

NIL

Accumulated Losses

445

IV PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS)

Turnover

1339

Total Expenditure

420

+- (Profit/(Loss) Before Tax

919

+- Profit / (Loss) After Tax

794

Earning per Share in Rs. (Annualised)

0.26

Dividend Rate (%)

NIL

V EPS

Profit during the year

No. of Equity Shares O/S

Basic & diluted Earnings per Share

2007-2008

793866.62

3051900

0.26

2006-2007

(-) 16355.07

3051900

(-) (0.005)

VI GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (AS PER MONETARY TERMS)

Item Code No. (ITC Code)

Product Description

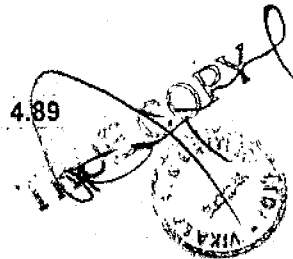
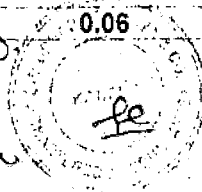
Not Available

(Share Broker Business)



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2008
IN ACCORDANCE WITH THE REQUIREMENT UNDER CLAUSE 32 OF THE
LISTING AGREEMENT OF THE BOMBAY STOCK EXCHANGE**

	YEAR ENDED 31.03.2008 RS. LAKHS		YEAR ENDED 31.03.2007 RS. LAKHS	
(A) Cash Flow from Operating Activities				
Net Profit before tax and extraordinary items.		9.39		5.97
Add:- Depreciation	0.80		0.13	
Excess Income Tax Written Back	-		-	
Share Application Money W/O	-		-	
Foreign Exchange	-		-	
Investment/Others	-		-	
Interest/Dividend	-		-	
Unsecured Loans	-		-	
Miscellaneous Expenses	-		-	
Miscellaneous Expenditure written off	-		-	
Less:- Previous year income written back	0.20	0.60		
		<u>9.99</u>		<u>6.10</u>
Operating Profit before working Capital Changes				
Adjustment for :-				
Trade and other receivables	28.05		22.00	
Inventories	0.00		7.36	
Trade Payables	-20.04		-3.28	
Investment	0.04	8.05	-25.17	0.91
Cash generated from operations		1.94		7.01
Direct Taxes STT & Income Tax FBT & Deferred Tax		1.25		-6.14
Interest Paid				
Secured Loans				
Miscellaneous expenses to the extent not written off				
Cash flow before extraordinary items		0.69		0.87
Extraordinary items:				
Compensation of Termination of Joint venture agreement				
Net Cash from Investing Activities				
Purchase of Fixed Assets		-0.75		-0.76
Sale of Fixed Assets				
Investment in Subsidiary & Co.				
Purchase on Investment				
Unsecured Loans				-5.00
Interest Received				
Dividend received				
Cash Flow from Financing Activities				
Net cash used in investing Activities		0.06		4.89



(B) Cash Flow from Financing Activities:
Proceeds from issue of shares Capital
Proceeds from Long Term

Borrowings
Dividend Paid

Net Cash from Financing Activities:

Net Increase in Cash & Cash Equivalents	0.06	4.89
Cash & Cash Equivalents-Opening Balance	7.39	12.28
Cash & Cash Equivalents-Closing Balance	7.33	7.39

For VIKALP SECURITIES LIMITED



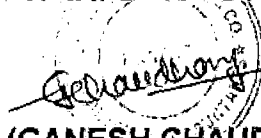
(ARUN KEJRIWAL)
(DIRECTOR)

PLACE :- KANPUR
DATE :- 29.08.2008

AUDITORS CERTIFICATE

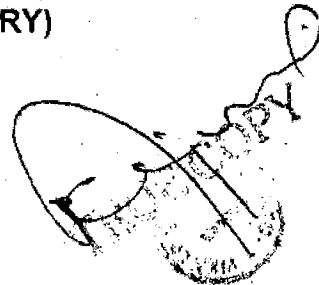
We have examined the above cash flow shatement of VIKALP SECURITIES LIMITED for the period ended 31st March 2008. The Statement has been prepared by the Company in accordance with the listing agreement clause 32 with the Bombay Stock Exchange and is based on and agreement with the corresponding Profit and Loss account and the Balance Sheet of the company converted by our report of to the members of the company.

FOR CHAUDHARY PANDIYA & CO.
CHARTERED ACCOUNTANTS



(GANESH CHAUDHARY)
PARTNER

PLACE :- KANPUR
DATED :- 29.08.2008



NOTICE OF ANNUAL GENERAL MEETING

VIKALP SECURITIES LTD

Registered Office; 26/73, Karachi Khana, Kanpur

NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of the Members of VIKALP SECURITIES LTD will be held on , the 30th day of September 2008 at 11. A.M. at the registered office of the Company at 26/73 Karachi Khana, Kanpur to transact the following business:

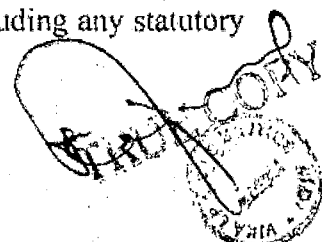
I. Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2008 and the Profit and Loss Account for the year ended on that date together with the Reports of the Board of directors and Auditor thereon.
2. To appoint a director in place of Shri Lalta Prasad Dixit who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

II. Special Business by Special Resolution:

4. To consider and if thought fit to pass the following Resolution with or without modification if any, as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act 1956, (including any statutory modifications or re-enactments thereof, for the time being in force) and subject to the limits specified in Schedule XIII to the said Act and subject to the consent of the company, the Board hereby re- appoints **Mr. Arun Kejriwal as the Managing Director** of the company w.e.f. 1st october, 2008 for a period of 3 years on such terms and conditions including remuneration as approved by the remuneration committee in its meeting held on 30-08-2008 and as set out herein below, with liberty to the Board to alter and vary the terms and conditions including remuneration so as not to exceed the limits as specified in Schedule XIII to the Companies Act. 1956, including any statutory



modification(s) or re-enactment(s) thereof for the time being in force or any amendments or modifications that may thereafter be made by the Central Government.

Salary: Rs. -15000/- pm(Gross)

FURTHER RESOLVED THAT the remuneration as mentioned above, in the event of loss or inadequacy of profits in any financial year comprised in the aforesaid terms of appointment, shall not exceed the maximum permissible under Schedule XIII of the Companies Act, 1956.

"RESOLVED FURTHER THAT the Board of directors of the company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution."

FURTHER RESOLVED THAT in no circumstances the remuneration paid shall exceed the minimum remuneration laid down in Schedule XIII

Date: 29/08/08

Place: Kanpur

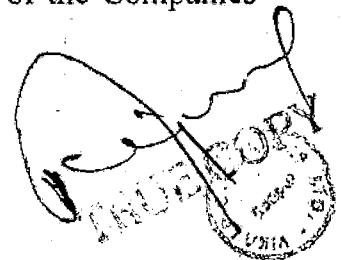
For and on behalf of Board

(Director)



NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and proxy need not be a Member of the Company.
2. Proxy, in order to be effective, must reach at the Registered Office of the Company before 48 hours from the commencement of the Annual General Meeting.
3. The relevant explanatory statement pursuant Section 173 (2) of the Companies Act 1956 is annexed hereto.



**EXPLANATORY STATEMENT ANNEXED TO THE NOTICE OF
ANNUAL GENERAL MEETING DATED 30/09/2008 PURSUANT TO
SECTION 173(2) OF THE COMPANIES ACT, 1956**

The Board of directors of the company at its meeting had appointed Mr. Arun Kejriwal as Managing Director of the company for a period of three years w.e.f. 1-10-08 upto 30-09-2011, on a remuneration contained in the said resolution.

The Board of directors had thought fit to increase the remuneration w.e.f. 01-10-2008. The matter was referred to the remuneration committee. The remuneration committee had recommended at its meeting for the new remuneration package of the Managing Director. The Board of directors at its meeting held on 29-08-2008 has approved the remuneration. Therefore, in accordance with the provisions of Sections 198, 309, 310 read with Section 311 and Schedule XIII, the new package of the Managing Director has been approved which is contained as Item No. 4. It is further added here that in no circumstances the remuneration shall exceed the minimum remuneration as prescribed in Schedule XIII of the Companies Act, 1956.

The Board recommends the resolution for your approval as a special resolution.

Interest in Resolution No. 4 – None of the directors except the appointee himself is interested and concerned in the said resolution.

Dated: 29/08/2008

Place: KANPUR

By Order of Board

(Managing Director)

A handwritten signature in black ink is written over a circular stamp. The stamp contains the text "MANAGING DIRECTOR" and "KANPUR" around a central emblem.

VIKALP SECURITIES LIMITED

DIRECTOR'S REPORT

To,

The Members

Your Director have pleasure in submitting the Twenty Second Annual Report for the Year ended 31.03.2008 of the Company.

FINANCIAL RESULTS.

	(Rs.in Lakhs) Year ended 31.03.2008	(Rs. in Lakhs) Year ended 31.03.2007
Gross Income	13.39	225.26
Expenses	4.00	219.29
Profit before Depreciation Intrest and Tax	10.59	6.10
Depreciation	.79	0.13
Profit before Tax	9.39	0.00
The Balance carried to Balance Sheet	7.93	-0.16

DIVIDEND:

In view conserve the resorces your Directors do not recomend any dividend for the year ended 31st March 2008.

OPERATIONS:

Your company's Gross Income is 13.39 in comparison to Rs. 225.26 Lacs in the corresponding previous year. It is pertinent to mention that with the emergence of National Stock Exchange as best stock market, the volume of business in Regional Stock Market has gone down steeply. The Company is exploring the possibilities of franchise/Channel partners of members of the National Stock Exchange. We are confident that this would improve the performance.

FUTURE PROSPECTS:

In View of Indian economic growing at over 7 % in the comming year the future appears bright.

PARTICULARS OF EMPLOYEES :

There is no employees who is receiving remuneration in excess of remuneration as laid down in the section 217(2A) of the companies Act 1956 i.e (24) lacs P.A are 200,000/- P.M

FIXED DEPOSIT:

The Company has not accepted/renewal any deposit during the year as per the provision of Section 58-A of the Companies Act, 1956.

CONSERVATION OF ENERGY TECNOLOGY ABSORPTION ETC:

The Company is an Stock Broking and investment company therefore the particular of energy conservation Technology obserption etc, are not applicable.

FOREIGN EXCHANGE EARNING & OUT GO:

There is no foregn exchange earning & out go during the year under review.

DIRECTORS:

There is no change in the board of directors of the company during the year under review.

For VIKALP SECURITIES LTD

Director

For VIKALP SECURITIES LTD.

Director



DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, it is hereby confirmed:

- (i) that the preparation of annual accounts for the financial year ended on 31st March, 2007, the applicable accounting standards had been followed along with the proper explanation relating to material departures,
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgement and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit & loss of the Company for the year under review,
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities,
- (iv) that the directors had prepared the accounts for the financial year ended on 31st March, 2008 on a going concern basis.

AUDITORS:

M/s Chaudhary Pandiya & Co, Chartered Accountants retire at the ensuing Annual General Meeting and are eligible for reappointment.

The observation / qualification in the auditors report board submit that as under:-

1. Regarding the valuation of inventory, it is pertinent to mention that the Company has been following this valuation policy consistently.
2. The income of dividend has been accounted for on receipt basis, as it accrues only on declaration and subsequent receipt.

CORPORATE GOVERNANCE:

The Securities & Exchange Board of India has introduced Corporate Governance through the amendment in the listing agreement with the Stock Exchanges. Corporate Governance report and a Certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated U/S 49 of the listing agreement with the Stock Exchanges forms part of annual report.

APPRECIATION:

The Board of Directors take this opportunity to express their sincere thanks to the shareholders of the company, Customers, Govt. Agencies, Bankers viz Standard Chartered Bank, The National Bank Ltd, for their support and assistance. Your Directors place on record their deep appreciation for the services of workers, staff and executives of the company which contributed to the successful management of the company affairs.

FOR AND ON BEHALF OF THE BOARD


ARUN KEJRIWAL
(MANAGING DIRECTOR)


SHARAD TANDON
(DIRECTOR)


LALTA PRASAD DIXIT
(DIRECTOR)

PLACE: KANPUR
DATE: 29-08-2008

VIKALP SECURITIES LIMITED

26/73 Karachi Khana, Kanpur-208001

Phone No.:2372665

Corporate Governance Report

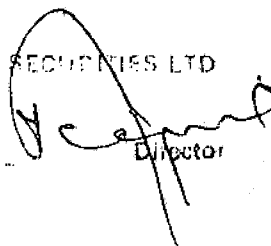
The directors are pleased to present their 6th Corporate Governance report for the financial year 2007-2008. Corporate Governance relates to number of laws, rules, regulations and voluntary practices to enable companies to have good and efficient financial and human capital, perform to the best of the efficiency resulting in maximization of the long term value in the hands of shareholders at the same time respecting the aspect of multiple stake holders which include the society as well. The corporate governance structure in the company assigns responsibilities to entrust authority among different participants in the organization.

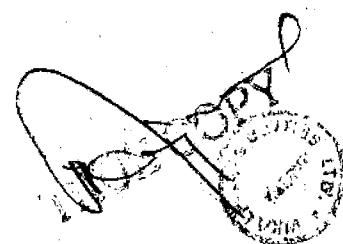
1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organization. Corporate Governance is an integral part of management, execution of business plans, policies and processes as the Company believes that it is a tool to attain and enhance the competitive strengths in business and ensure sustained performance for continuously enhancing the value for every stakeholder. Accordingly, VIKALP SECURITIES LIMITED endeavors to adhere to the highest levels of transparency, accountability and ethics in all its operations fully realising at the same time social responsibilities. The Company's focus on Corporate Governance is reflected in following:

- Composition, size and functioning of and disclosures to the Board of Directors and various Committees of the Board.
- Board's commitment to discharge duties and responsibilities entrusted upon them by the Statute and to live up to the expectations of stakeholders of the Company and public at large.
- Strong value systems and ethical business conduct.
- Sound internal control.
- Transparency, accountability, social responsibility and ethics in all its operations.
- Putting in place the Code of Conduct for all the members of Board and team of senior management personnels.
- Efforts for prompt redressal of investors' grievances.

For VIKALP SECURITIES LTD


Director



- Appropriate delegation of authority responsibility, monitoring of performance and collective decision making involving senior management team in all key decisions.
- Automated seamless integrated work flow to ensure consistency and timely flow of information.

2. Board of Directors

As per the requirements of corporate governance the composition of Board of Directors is required to have combination of non- executive and independent Directors along with the executive Directors.

The Board of Directors of the Company includes eminent personalities from all walks of life.

Composition of Board of Directors:

As on 31.03.2008, the Board consisted of five directors. The company has an optimum combination of executive and non executive director. Four of the directors are Non Executive Directors as well as Independent. Mr. Arun Kejriwal is the only Executive Director. Composition of the Board of directors showing the details of their status, directorship and committee membership as on 31.03.2008 is as follows:

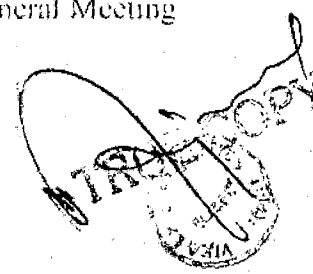
Name of the Director	Status	No of Directorship and Committee Membership/ Chairmanship		
		Other Directorship	Committee Membership	Committee Chairmanship
Shri Arun Kejriwal	Executive Managing Director	Nil	Nil	Nil
Shri Sharad Tandon	Non Executive	Nil	Nil	Nil
Shri Lalta Prasad Dixit	Non Executive	Nil	Nil	Nil
Shri T. N. Agarwal	Non Executive, Independent	3	Nil	Nil
Shri Shiv Kumar Trivedi	Non Executive, Independent	Nil	Nil	Nil

The Annual General Meeting was held on 29.9.2007. No extra ordinary General Meeting of the company was held during the year.

The attendance records of the directors is as under:

For VIKALP SECURITIES LTD

Director



Directors	Number of Board Meetings attended	Attended last AGM
Shri Arun Kejriwal	5	YES
Shri Sharad Tandon	5	YES
Shri Lalta Prasad Dixit	5	YES
Shri T. N. Agarwal	5	YES
Shri Shiv Kumar Trivedi	5	YES
TOTAL NO. 5		

Total 5 (five) number of Board Meetings were held during the year 2007-2008, the dates on which the said meetings were held are 30.04.2007, 31.07.2007, 30.08.2007, 31.10.2007, and 31.01.2008. During the year all the requirements of clause 49 of the listing Agreement have been complied with. The information as required under Annexure 1A to clause 49 has been made available to the Board.

Details of the director being appointed and reappointed (brief resume)

A brief resume of the director appointed is as under:

Mr. Lalta Prasad Dixit is a commerce graduate and has experience in business. He is a member of the Audit Committee

Board Committees

(i) Audit Committee

The Audit Committee is constituted by the Board of Directors at its meeting in accordance with section 292A of the Companies Act 1956 and Clause 49 of the Listing Agreement with the Stock exchanges.

The Composition as on 31st March 2008 was as under: -

Sl. No.	Names of Members	Designation	Executive/ Non Executive/ Independent	No. of Meetings attended during the year 2007-08
1	Shri Lalta Prasad Dixit	Member	Non Executive Independent	4
2	Shri T.N. Agarwal	Chairman	Non Executive Independent	4
3	Shri Shiv Kumar Trivedi	Member	Non Executive	4

For VIKALP SECURITIES LTD.

[Signature]
11.03.08

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11.03.08

		Independent	
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The primary objective of Audit Committee is monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and quality of the financial reporting.

The audit committee met four times during the year. The dates of the Audit Committee Meetings are 30.04.07, 31.07.07, 31.10.07, and 31.01.08. The terms of the reference of the Audit Committee includes the matter specified in clause 49 of the listing agreement (as amended) with the stock exchanges. The Audit Committee reviewed the reports of the internal auditors, the report of the statutory auditors arising out of the quarterly, half yearly and annual review of the accounts, considered significant financial issues affecting the company and held discussion with the internal and statutory auditors and company management during the year.

(ii) Shareholders'/ Investors' Grievances Committee

In terms of the Listing Agreement entered into between the Company and the Stock Exchanges the Shareholders'/Investors' Grievance Committee has been constituted to take care of matters relating to Redressing of Shareholders and Investors Complaints: To ensure expeditious share transfer; To review status of legal cases involving the investors where the company has been made a party.

Composition as on 31/03/2008 was as under: -

Sl. No.	Names of Members	Executive/ Non Executive/ Independent	No. of Meetings attended during the year 2007-08
1	Shri Lalta Prasad Dixit	Non Executive Independent	12
2	Shri Arun Kejriwal	Executive	12

Mr. Sharad Tandon is the Compliance Officer to expedite the process of share transfer and take prompt action on investor's complaints. The company has not received any investor complaint during the year. Complaints/ correspondences are usually dealt with, within 10 days of receipt and are completely resolved except in cases where litigation is involved. There are no pending cases of share transfer.

The company is in the process of appointing Skyline Financial Services Private Limited to act as the Registry and transferor agent for electronic share registry work.

Remuneration Committee

For VIKALP SECURITIES LTD

The Board has constituted Remuneration Committee, comprising of Shri T.N. Agarwal and Mr. Shiv Kumar Trivedi and Mr. Sharad Tandon.

The Remuneration Committee has been constituted to: -

- recommend the policy on specific remuneration packages for Executive Directors including pension rights and any compensation payments;
- improve the terms of any Employee Stock Option Scheme or plan as may be issued from time to time by the Company;

The composition as on 31/3/2008 was as under: -

Names of Members	Executive/ Non Executive/ Independent	No. of Meetings attended during the year
Shri T.N. Agarwal	Non Executive and independent	Nil
Mr. Shiv Kumar Trivedi	Non Executive and independent	Nil
Mr. Sharad Tandon	Non Executive and independent	Nil

The remuneration earned during the year 2007-2008 by Non-Executive Directors is given below:

Sl. No.	Names of Non-Executive Director	Sitting Fees Rs.	Commission Rs.
		NIL	NIL

The remuneration paid to Mr. Arun Kejriwal, executive director is Rs.10,000.

The Remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Remuneration policy is in consonance with the existing industry practice.

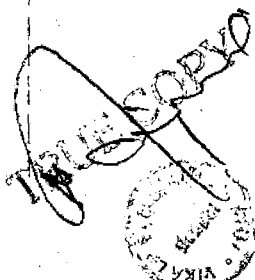
3. General Body Meetings

Particulars about the last three Annual General Meetings (AGMs) of the Company are:

Sl. No.	AGM Particulars	Date	Venue	Time
1	2006-07	29.09.07	26/73 Karachi Khana Kanpur	11 a.m.
2	2005-06	30.09.06	26/73 Karachi Khana Kanpur	11 a.m.

For VIKALP SECURITIES LTD

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Director



3	2004-05	30.09.05	26/73 Karachi Khana Kanpur.	9.45 a.m.
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Details of Special Resolution was passed in the previous three annual general meetings:

Annual General Meetings	No. of Special Resolutions
2006-07	01 Delisting of shares
2005-06	NIL
2004-05	NIL

No item of business, which required the member's approval through postal ballot, was transacted during 2007-2008. Accordingly, the Companies (Postal Ballot) Rules, 2001 is not applicable to the Company during the said year.

4. Disclosures

None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of members is drawn to the disclosures of transactions with the related parties set out in notes on Accounts-Schedule 10 forming part of Annual report.

The Company has generally complied with all requirements of Listing Agreement with the Stock Exchange as well as regulations and guidelines of SEBI, Stock Exchange or any other Statutory Authority on matters relating to capital markets in the last three years. Regarding the valuation of inventory, it is pertinent to mention that the company has been following this valuation policy consistently.

The income of Dividend has been accounted for on receipt basis, as it accrues only on declaration and subsequent receipt.

5. Means of Communication

- Your Company uses several modes of communicating with its external stakeholders such as announcements and press releases in newspapers, circular letters and reports to the members, intimation to the Stock Exchanges, responding to analyst's queries etc.
- Your company's quarterly results are disseminated through all the modes mentioned above.
- Your Company's Management Discussion & Analysis of the Business forms a part of this Annual Report and is given under the section so captioned.

For VIKALP SECURITIES LTD

[Handwritten signature]
Director

[Handwritten signature]
Director

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6. General shareholders information

Sl. No.	Silent items of Interest	Particulars
1.	AGM date, time and venue	30-09-08
2.	Financial Calendar	Financial Year: April 1 to March 31 Financial Results for the first quarter End of July 2007 Financial Results for the second quarter End of October 2007 Financial Results for the third quarter End of January 2008 Financial Results for the Fourth quarter End of April 2008
3.	Date of Book Closure	The Share Transfer Book and Register of Members will remain closed from on 28 th to 30 th September 2008.
4.	Dividend Payment Date	No dividend was declared during the year 2006-07 and the Directors have not recommended any dividend on equity shares for financial 2007-08
5.	Listing on Stock Exchanges	The equity shares of the company are listed at 1. U P Stock Exchange, Uttar Pradesh 2. Bombay Stock Exchange, Mumbai 3. Calcutta, Stock Exchange, Kolkata 4. Delhi Stock Exchange, Delhi
6.	Stock Code	A256 A1 A4 A2
7.	Registrar & Share Transfer Agents	Company is in process to hire the services of Skyline Financial Services Private Limited to act as Registrar and Transfer Agents for Electronic share registry work.
8.	Share Transfer System	Share Transfer is effected within 30 days from the date of receipt.
9.	Dematerialization of shares and liquidity	Dematerialization of shares is under process
10.	Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity	There are no such instruments pending conversion likely to impact in equity share capital.
11.	Plant Locations	NA
12.	Address for correspondence	26/73 Karachi Khana Kanpur

For VIKALP SECURITIES LTD.

[Signature]
Director

