

VIKAS WSP LIMITED

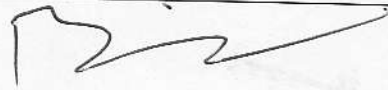



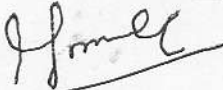
B-86/87, Udyog Vihar, RIIICO, Industrial Area

Sriganganagar - 335 002 / INDIA

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**FORM A**

Sr. NO	PARTICULARS	DISCRIPTION
1.	NAME OF THE COMPANY	VIKAS WSP LIMITED
2.	ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED	31ST MARCH, 2013
3.	TYPE OF AUDIT OBSERVATION	UNQUALIFIED
4.	FREQUENCY OF OBSERVATIONS	NOT APPLICABLE
5.	TO BE SIGNED BY CEO/ MANAGING DIRECTOR DIRECTOR AUDITOR OF THE COMPANY AUDIT COMMITTEE CHAIRMAN	    



No Question about quality....

**25th
ANNUAL
REPORT
2012-13**

VIKAS WSP LIMITED



BOARD OF DIRECTORS

Mr. B.D. Aggarwal
Chairman & Managing Director
Mrs. Bimla Devi Jindal
Director
Mrs. Kamini Jindal
Director
Mr. Neeraj Chhabra
Independent Director
Mr. Kishan Lal
Independent Director
Mr. Vishnu Bhagwan
Independent Director
Mr. Ram Awtar Mittal
Independent Director
Mrs. Deepika Aggarwal
Independent Director

COMPANY SECRETARY & HEAD COMPLIANCE

Mr. Ravinder Kumar Gupta

AUDIT COMMITTEE

Mr. Ram Awtar Mittal
Chairman
Mr. Neeraj Chhabra
Mrs. Kamini Jindal

SHAREHOLDER'S/ INVESTORS' GRIEVANCE COMMITTEE

Mr. Neeraj Chhabra
Chairman
Mr. B.D. Aggarwal
Mrs. Deepika Aggarwal

COMPENSATION COMMITTEE

Mr. B.D. Aggarwal
Chairman
Mr. Neeraj Chhabra
Mrs. Deepika Aggarwal

AUDITORS

Arun K Agarwal & Associates
New Delhi

COST AUDITOR

Baghuguna & Company
Noida

BANKERS

Punjab National Bank
Union Bank of India
Bank of India

REGISTERED OFFICE

Railway Road, Siwani,
Haryana-127046

ADMINISTRATIVE OFFICE

B-86/87, Udyog Vihar
RIICO Industrial Area
Sri Ganganagar-335002

PLANTS

Sri Ganganagar (Rajasthan)
Siwani (Haryana)
Website: www.vikaswsp ltd.in

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ANNUAL GENERAL MEETING

On Friday, September 27, 2013 at 10.00 a.m.
At Railway Road, Siwani-127046, Haryana

*Members are requested to kindly bring their copies
of the Annual Report to the meeting.*

PERFORMANCE HIGHLIGHTS

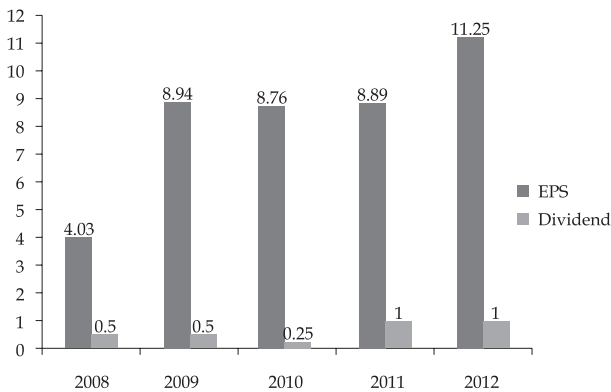
Our journey to enhance customer value and pursue cost leadership continues through improvements in manufacturing, sales and marketing and procurement of major inputs. Our main target is optimal utilization of **5 M's viz. Men, Money, Material, Machinery and Method.**

We aim to maintain special focus on the followings:

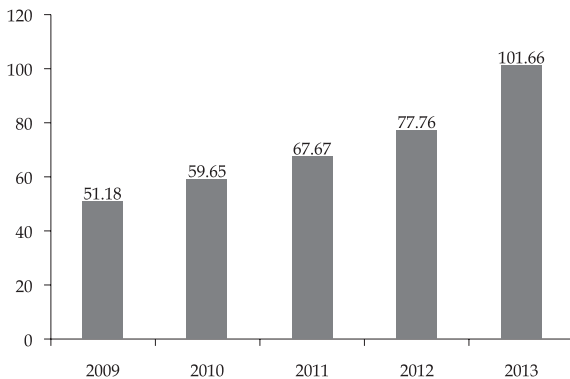
- Safety; Zero Harm anywhere to anyone associated with VIKAS.
- Special focus on input costs.
- Enhancing Customer value. Meeting and exceeding their expectations in supplying best quality guar products.
- Use the best team to work efficiently and effectively.
- To fulfill the social responsibility toward the society.

Through these efforts, we have aimed to realize our complete potential and achieve benchmark level of performance.

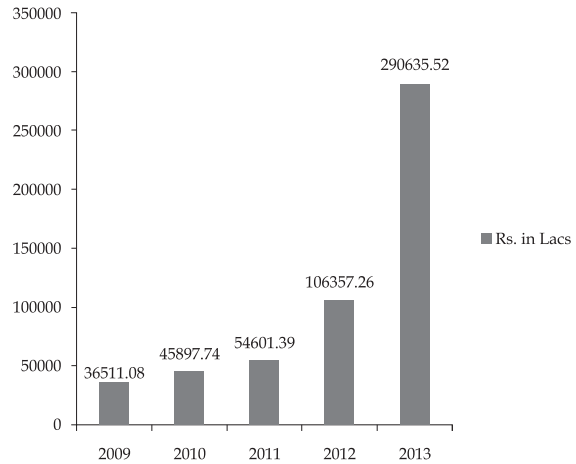
Dividend Per Share and Earning Per Share



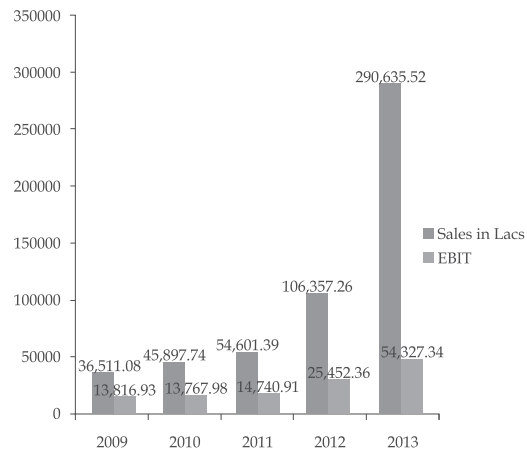
Book Value Per Share



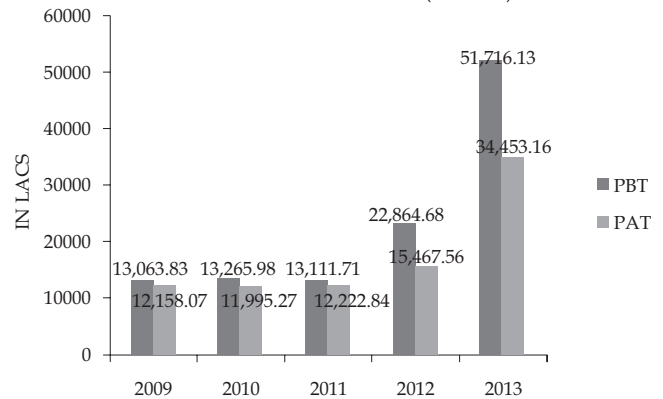
Growth in Sales



Net Sales And Earnings Before Interest And Tax (In Lacs)



Profit Before Tax And Profit After Tax (In Lacs)



NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Company will be held on Friday the 27th day of September, 2013 at 10.00 A.M. in the manufacturing unit located at Registered Office of the Company at Railway Road, Siwani-127046, Haryana, to transact the following business: -

ORDINARY BUSINESS

1. To receive and adopt the audited statement of Profit & Loss for the financial year ended 31st March 2013, and the Balance Sheet as on the date and the reports of the Directors and Auditors thereon.
2. To consider and declare final dividend for the year.
3. To appoint a Director in place of Smt. Bimla Devi Jindal who retires by rotation and being eligible offers herself for re-appointment.
4. To appoint Director in place of Smt. Kamini Jindal who retires by rotation and being eligible offers herself for re-appointment
5. To appoint Smt. Deepika Aggarwal as regular director. She is appointed as additional director on January 04, 2013 and being eligible offers herself for re-appointment.
6. To appoint Sh. Neeraj Chhabra as a regular director. He is appointed as additional director on January 04, 2013 and being eligible offers himself for re-appointment.
7. To appoint M/s Arun K Agarwal & Associates, Chartered Accountants, New Delhi, Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

8. **To consider and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of section 198, 269, 309, 310, 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 including any statutory amendment or re-enactment thereof and subject to such consent, approvals and permissions as may be needed, the remuneration package of Smt. Deepika Aggarwal, designated as Independent Director of the Company, be and is hereby

reappointed for a period of five years from the expiry of his present tenure in the following manner :-

Remuneration including sitting fees, reimbursement of expenses, etc. to be not more than Rs. 3, 60,000/- per annum.

9. **To consider and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of section 198, 269, 309, 310, 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 including any statutory amendment or re-enactment thereof and subject to such consent, approvals and permissions as may be needed, the remuneration package of Sh. Neeraj Chhabra, designated as Independent Director of the Company, be and is hereby reappointed for a period of five years from the expiry of his present tenure in the following manner :-

Remuneration including sitting fees, reimbursement of expenses, etc. to be not more than Rs. 5, 40,000/- per annum.

By Order of the Board of Director
For VIKAS WSP LIMITED

Sd/-

(B. D. Agarwal)
Managing Director

Date : 14.08.2013
Place : Sri Ganganagar

NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint one or more persons as proxies to attend and vote on a poll only instead of himself and a proxy need not be a member of the Company.
2. Proxies, in order to be effective, must be received at the Regd. Office of the Company, not less than forty eight hours before the commencement of the Annual General meeting.
3. Additional information, pursuant to clause 49 of the Listing Agreement with Stock Exchange, on Directors recommended for appointment/ reappointment at the Annual General meeting, is appearing in the Report and Accounts.
4. Members are requested to bring the admission slips along with their copy of the Report and accounts to the meeting.
5. Members holding shares in physical form are requested to notify/send the change in their address at the Regd. Office of the Company and holding shares in the electronic form are advised to send the same information to their respective Depository Participant.
6. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the company, as permitted under Section 109A of the Companies Act, 1956, are requested to submit at the Regd. Office of the Company the prescribed form 2B.
7. The Register of Members of the Company shall remain closed from 14th September to 24th September 2013 (both days inclusive) for the purpose of Dividend and Annual Book Closure.
8. Dividend on the Equity Shares, if declared at the meeting, will be paid to the members whose names appear in the Register of members of the Company after giving effect to all valid share transfer in physical form lodged with the Company or its Registrars on September 13, 2013.
In respect of shares held in electronic form, the dividend will be paid to those 'beneficiaries' whose name appear on the statements of beneficial ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose, at the end of the business hours on September 13, 2013.

9. The Securities and Exchange Board of India (SEBI) has been made mandatory for all companies to use the bank account details furnished by the depositories for depositing dividends. Dividend will be credited to the Member's bank account through NECS wherever complete core banking details are available with the company. In case where the core banking details are not available, dividend warrants will be issued to the members with bank details printed thereon as available in the company's records.
10. Shareholders who have not so far en-cashed the Interim/Final dividend warrant(s) for various year as per the table given below are requested to seek issue of duplicate warrant(s) by writing to the company immediately. Shareholders are requested to note that no claims shall lie against the Company or the said Fund in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claim. The amount of Dividend which remain unclaimed for the following years:

Sr. No	Year	Record Date	Unclaimed Amount (Rs.)
1	2007-08	29.01.2008	1035280.63
2	2008-09	16.09.2009	2148330.00
3	2009-10	16.09.2010	1949387.00
4	2010-11	16.09.2011	1135708.50
5	2011-12	17.09.2012	2683378.00

Invitation to participate in the Green Initiative launched by the Ministry of Corporate Affairs

The Ministry of Corporate Affairs (MCA) has permitted paperless compliances by companies; vide its circulars No. 17/2011 and No. 18/2011 dated April 21, 2011 and April 29, 2011 respectively. MCA has clarified that services of documents to Members through e-mail will constitute sufficient compliances with Section 53 of The Companies Act, provided the Members are given an advance opportunity to register their e-mail ids or changes if any therein with the company.

Pursuant thereto, we invite our Members to participate in the Green Initiatives by registering their e-mail ids with the Company to enable it to send documents required to be sent under section 219 of the Companies Act viz. Annual Report and other documents such as Notices of General Meetings, Postal Ballot Notices, ECS Credits etc. by email.

ADDITIONAL INFORMATION: -

(In pursuance of Clause 49 of The Listing Agreement)

1. **Brief profile of Smt. Deepika Aggarwal:** - Smt. Deepika Aggarwal was appointed as additional director of the company and being eligible offers herself as regular director, her tenure is upto the Annual General Meeting. Smt. Deepika Aggarwal has been appointed by the Board as an Additional Director w.e.f.04.01.2013. Smt. Deepika Aggarwal is a person with excellent academic background and possesses good educational qualifications. She is Master of Art. Considering and seeking the managerial capabilities, skills and her efficiency, your Directors recommend appointment of Smt. Deepika Aggarwal as Director of the Company.
2. **Brief profile of Sh. Neeraj Chhabra :** - Sh. Neeraj Chhabra was appointed as additional director of the company and being eligible offers himself as regular director, his tenure is upto the Annual General Meeting. Sh. Neeraj Chhabra has been appointed by the Board as an Additional Director w.e.f. 04.01.2013. Sh. Neeraj Chhabra is a person with excellent academic background and possesses good educational qualifications. He is post graduate in Pharmacy. Considering and seeking the managerial capabilities, your Directors recommend appointment of Sh. Neeraj Chhabra as Director of the Company.
3. **Brief profile of Mrs. Bimla Devi Jindal:** - Smt. Bimla Devi Jindal, Director of the company, who retires by rotation and being eligible, offers herself for reappointment. Smt. Bimla Devi Jindal has been appointed by the Board as an additional Director w.e.f. 10.06.2005. Smt. Bimla Devi holds a Bachelor's Degree in Commerce from the University of Haryana. She belongs to a leading Guar Gum Industrialist family. Keeping in view her long experience in the Guar Gum Industry, your Directors recommend re-appointing of Smt. Bimla Devi Jindal as Director of the Company.
4. **Brief profile of Mrs. Kamini Jindal:** - Smt. Kamini Jindal, Director of the company who retires by rotation and being eligible, offers herself for reappointment. Ms. Kamini Jindal has been appointed by the Board as an Additional Director w.e.f. 16.07.2012. Ms. Kamini

Jindal is a person with excellent academic background and possesses good educational qualifications. She is Master of Art and Master of Philosophy. She is the youth diva in the board of the company. Considering and seeking attention and interest of youth, your Directors recommend appointment of Ms. Kamini Jindal as Director of the Company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**ITEM NO. 8**

By taking into consideration the increased business volume of the Company and to match the remuneration package of Mrs. Deepika Aggarwal proposed regular Director of the Company with the present prevailing compensation at this level in the industry, it is appropriate the remuneration package of Mrs. Deepika Aggarwal should be at Rs. 3,60,000/- per annum in the present situations.

Therefore it is proposed, on the recommendation made by the "Board of Directors" of the Company, the remuneration package of Mrs. Deepika Aggarwal including sitting fees, reimbursement of expenses etc. is not to be more than Rs. 3,60,000/- for a period of five years from the date of the expiry of her present tenure.

ITEM NO. 9

By taking into consideration the increased business volume of the Company and to match the remuneration package of Mr. Neeraj Chhabra proposed regular Director of the Company with the present prevailing compensation at this level in the industry, it is appropriate the remuneration package of Mr. Neeraj Chhabra should be at Rs. 5,40,000/- per annum in the present situations.

Therefore it is proposed, on the recommendation made by the "Board of Directors" of the Company, the remuneration package of Mr. Neeraj Chhabra including sitting fees, reimbursement of expenses etc. is not to be more than Rs. 5,40,000/- for a period of five years from the date of the expiry of his present tenure.

By Order of the Board of Director
For VIKAS WSP LIMITED
Sd/-

Date : 14.08.2013
Place : Sri Ganganagar

(B. D. Agarwal)
Managing Director

DIRECTORS REPORT

To The Members,

The Directors take pleasure in presenting the twenty fifth Annual Report of the Company with the audited accounts for the financial year ended March 31, 2013.

HIGHLIGHTS OF PERFORMANCE

- Operating earnings before interest and tax increased in 2013 by 213.45% to Rs. 54327.34 lakhs, from Rs. 25452.36 lakhs in 2012.
- Revenue from financial operations increased in 2013 by 273.26% to 290635.52 lakhs from Rs. 106357.26 lakhs in 2012.

Financial Results

Particulars	(Rs. In Lacs)	
	Year ended 31.03.2013	Year ended 31.03.2012
Revenue from operations	290635.52	106357.26
Other income	565.34	202.99
Total expenditure	232329.80	76624.08
Finance costs	2611.21	2587.68
Profit after finance cost but before depreciation	56259.85	27348.49
Depreciation and amortization expenses	4543.72	4483.81
Profit before tax (PBT)	51716.13	22864.68
Tax expenses	17262.97	7397.12
Profit for the year (PAT)	34453.16	15467.56
Appropriations		
Proposed final dividend	1374.40	1374.40
Tax on dividend	233.58	224.29
Transfer to General Reserve	3446.00	1548.00
Reserves & Surplus	138348.02	105502.84

DIVIDEND

Your Directors are pleased to recommend a final dividend of Rs. 1 per equity share of Rs. 1/- each. The total outgo for the current financial year amounts to 160.8 millions, including dividend distribution tax of Rs. 23.36 Millions, as against Rs. 137.44 Millions including dividend distribution tax of Rs. 22.30 Millions in the previous year.

FUTURE PROSPECTS

Guar Gums main demand is increasing in the food and oil and gas segment. Guar gum polymers demand in the food segment is increasing @ 7 to 8% in the developed countries whereas it is showing an increase of 12-15% in the developing countries. Demand of Guar polymers for oil and gas wells drilling and fracturing is increasing day by day as the global crude oil prices are on increase. Company's R&D is constantly involved in developing newer guar products for food and other industrial applications for the effective control of processing problems and the same is conducive in expanding global guar polymers market. International

market for certified organic guar polymer is also increasing. Taking all these prospects together, the demand for guar polymers is bound to increase in the years ahead. So the future prospects are expected to be even better.

INTERNATIONAL QUALITY STANDARDS AND THEIR CERTIFICATIONS-

(A) An ISO 9001:2000 - Certified Company-

100% EOU units of the company have been certified as ISO 9001:2000 by DNV - a Norwegian Company. So the company is meeting all the quality control parameters as set out by DNV.

(B) Hazards Analysis of Critical Control Points (HACCP)-

The product manufactured by the company is also used in the food production as thickening and binding agent. The user customers are multinational (MNC's) food producers viz. Nestle (Friskies), Mars (Master Food), Heinz, Sara lee, Unilever, and CSM. To source their key raw materials, these MNC's prefer HACCP certified vendors. Employing HACCP in the production system

one can check the following contaminations:

- Physical
- Chemical
- Microbial

(C) Good Manufacturing Practices (GMP)

Company's 100% EOU units are certified WHO Good Manufacturing Practices (WHO-GMP). Guar Polymers produced using GMP is included in the Food Chemical Codex (FCC) and approved for food use. Therefore, GMP ensures the customers that the products are manufactured in good and hygienic conditions.

FOREIGN EXCHANGE EARNING AND OUTGOINGS

The detail of foreign exchange earnings and outgoings is provided in page no. 8 of the annual report under Annexure B to Directors Report of the Annual Report.

CONSERVATION OF ENERGY

The information on Conservation of Energy required under Section 217(I) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is provided in page 8 under Annexure A to Directors Report of the Annual Report.

DIRECTORS' RE-APPOINTMENT

Mrs. Bimla Devi Jindal retires by rotation and being eligible offer herself for re-appointment at this Annual General Meeting. The Board Governance Committee has recommended their re-appointment for consideration of the shareholders. A brief profile of Mrs. Bimla Devi Jindal is given in the notice of Annual General Meeting.

Mrs. Kamini Jindal retires by rotation and being eligible offer herself for re-appointment at this Annual General Meeting. The Board Governance Committee has recommended their re-appointment for consideration of the shareholders. A brief profile of Mrs. Kamini Jindal is given in the notice of Annual General Meeting.

Mrs. Deepika Aggarwal being eligible offers herself for appointment at this Annual General Meeting as a regular director. The Board Governance Committee has recommended her appointment for consideration of the shareholders. A brief profile of Mrs. Deepika Aggarwal is given in the notice of Annual General Meeting.

Mr. Neeraj Chhabra being eligible offers himself for appointment at this Annual General Meeting as a regular director. The Board Governance Committee has

recommended his appointment for consideration of the shareholders. A brief profile of Mr. Neeraj Chhabra is given in the notice of Annual General Meeting.

STATUTORY AUDITORS' APPOINTMENT

The Company's Auditors M/s Arun K Agarwal & Associates., Chartered Accountants, New Delhi, who retire at the ensuing Annual General Meeting of the company, are eligible for re-appointment. They have confirmed their eligibility under Section 224 of The Companies Act, 1956, for re-appointment as Auditors of the Company.

COST AUDITORS' APPOINTMENT

As per the requirement of the Central Government, and in pursuance of Section 233B of The Companies Act, 1956, your company carries out an audit of cost records. Subject to the approval of the Central Government, your Directors have appointed M/s Baghuguna & Company, to audit the cost accounts of the company for the financial year 2013.

FIXED DEPOSITS

During the year under review, your Company has neither invited nor accepted any fixed deposits from the public or its employees within the meaning of section 58A of the Companies Act, 1956 and Rules made thereunder.

PARTICULARS OF EMPLOYEES

There are no employees in the Company whose particulars are required to be given under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time.

DIRECTORS RESPONSIBILITY STATEMENT

On behalf of the Directors we confirm that as required under Section 217 (2AA) of the Companies Act, 1956:-

- (a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departures is made from the same;
- (b) we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for the period;
- (c) we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for

preventing and detecting fraud and other irregularities; and

- (d) we have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

We believe Corporate Governance is at the heart of Shareholder value creation. Our governance practices are described separately at page 9 of the Annual Report. We have obtained a certification from Practising Company Secretary on compliance with clause 49 of the listing agreement with Indian Stock Exchanges. The certificate is given at page 15 of the Annual Report.

COMMUNITY DEVELOPMENT

As part of its Corporate Social Responsibility, your company undertakes a range of activities to improve the living conditions of the weaker sections living near its plants. These include education, healthcare, vocational guidance and rural development.

During the year under review, Skill development training programmes were imparted to unemployed youth in partnership with specialized NGO's.

On the health and nutritional front, your company took various initiatives for better health.

Your company also distributed free Guar Seeds to various farmers of Rajasthan.

OCCUPATIONAL HEALTH & SAFETY

Your Company engages different programmes targeting critical areas across all the units to address risk associated with operations. Effectiveness of these programmes is being constantly assessed by the top management.

A behavior based safety training programme was launched in May 2012. The programme trains people so that they can prevent injuries at the workplace and at the home.

Our line managers are provided with different types of risk assessment tools to help them identify risk and decide on appropriate control measures. Hazard identification and Risk Assessment workshops are being continued at sites to refine anticipation capability amongst the employees by enhancing their hazard observation skills.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The internal control system of the company is commensurate

with the size, scale and complexity of its operations. It is being constantly assessed and strengthened with new/ revised standard operating procedures and robust internal and information technology controls.

The formalized systems of control facilitate effective compliances as per Clause 49 of the Listing agreement with the stock exchange.

The Company's internal audit department objectively and independently tests the design and operating effectiveness of the internal control system to provide a credible assurance to the Board and Audit Committee regarding the adequacy and effectiveness of the internal control system. The internal audit function monitors the effectiveness of controls, and also provides an independent and objective assessment of the overall governance processes in the Company, including the application of a systematic risk management framework.

Internal audit plays a key role by providing an assurance to the Board of Directors, and value adding consultancy service to the business operations.

ENHANCING SHAREHOLDERS VALUE

Your company believes that its Members are among its most important stakeholders. Accordingly your company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive assets and resource base and nurturing overall corporate reputation. The company is also committed in creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions for the society for sustainable growth and development.

INDUSTRIAL RELATIONS

The relation with employees at all levels has been cordial throughout the year. The Company has no employee drawing remuneration above the limit mentioned 217(2A) of the Companies Act, 1956 and accordingly no statement is annexed.

DELISTING OF SHARES

Pursuant to Regulation 7 of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ("Delisting Regulations"), Company has applied for voluntary delisting of its equity shares from following regional stock exchanges where the securities of the

company were listed, other than Bombay Stock Exchange Limited (BSE) :

- The Delhi Stock Exchange, New Delhi
- The Jaipur Stock Exchange, Jaipur
- The Ahemdabad Stock Exchange, Ahemdabad
- The Cochin Stock Exchange, Cochin

As per Delisting Regulation, Company's Securities can be delisted from Regional Stock Exchanges if the shares of the company continue to be listed on Bombay Stock Exchange (BSE). The benefits accruing to the investors by keeping the equity shares listed on these Stock Exchanges do not commensurate with the cost incurred by the company for the continued listing on these Stock Exchanges. The shareholders in the region of these Stock Exchanges will not suffer due to delisting as Bombay Stock Exchange has nationwide trading terminals.

ACKNOWLEDGMENTS

Your Directors take this opportunity to thank all stake holders - customers, vendors, banks, regulatory and government authorities, and Stock Exchanges for their continued support. Your Directors also acknowledge with thanks, the support extended by Financial Institutions. The Board also places on record their appreciation to all employees for their commitment and wholehearted co-operation towards company.

By Order of the Board of Director

For VIKAS WSP LIMITED

Sd/-

Date : 14.08.2013

(B. D. Agarwal)

Place : Sri Ganganagar

Managing Director

ANNEXURE TO DIRECTOR'S REPORT

A. (a) CONSERVATION OF ENERGY:-

As a part of ongoing energy saving programme your company has engaged an efficient team to examine the possibility of energy conservation at all operation levels, especially on higher load machines. Sincere efforts are being made to improve the power factor and reduce the overall energy consumption.

The company has taken the following steps towards energy conservation:-

- (1) Frequent checking of the capacitors;
- (2) replacement of high power factor electric motors;
- (3) timely greasing of the bearings of all the heavy machines;
- (4) installation of servo stabilizer to boost the voltage;
- (5) the detail of total energy consumption are as under:

Year 2012-13

Electricity

Purchased units	KWH	28389785
Total amount	Rs. (in millions)	175.99
Rate/Unit	Rs.	6.20
Rate per MT	Rs.	5558

HSD Oil

Quantity of HSD	KL	2901
Total Cost	Rs. (in millions)	129.05
Average Rate/L	Rs.	44.48
Rate per MT	Rs.	3988

LPG

Quantity	Cylinders	21141
Total Cost	Rs. (in millions)	76.74
Average Rate/Cylinder	Rs.	3629.91
Rate per MT	Rs.	2424

B. FOREIGN EXCHANGE EARNING & OUTGOING:

Activities relating to exports, initiative taken to increase exports, development of new markets of its manufactured goods and export plans:

Your Company is the country's leading manufacturer exporter of guar water-soluble polymers. The company has always given utmost priority to earn valuable foreign exchange in the larger interest of the nation.

	Rs. In lacs
Total foreign exchange earnings during the year	210684.26
Total foreign exchange used during the year	10.61
Net foreign exchange earned during the year	<u>210673.65</u>

CORPORATE GOVERNANCE

The Directors of the company are pleased to present the Company's report on Corporate Governance for the year ended March 31, 2013.

COMPANY'S PHILOSOPHY

Our name and logo reflects our philosophy and policy. "Vikas" means development; in terms of thought and deed. Vikas is a Shining Star in red, over an oval encompassing our name, is our constant reminder to out-shine others.

Vikas WSP Limited would like to be known as an 'excellent' Company in terms of the quality of governance, the products it manufactures and trades in, in Customer Services, in fair dealings with its stakeholders and in the standards of individual and Company performance. The company has a strong legacy of fair, transparent and ethical governance practices. We believe good governance is an essential ingredient of good business, good governance and good business have many things in common; participatory decision making, accountability, responsiveness, transparency, effectiveness and efficiency among others.

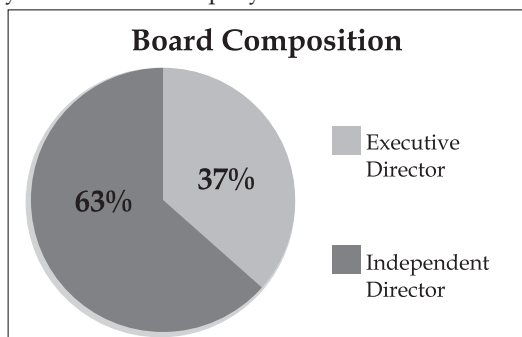
The company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements entered into with the Stock Exchanges with regard to corporate governance.

VIKAS is led by a strong, efficient and independent Board, which provides the Company strong oversight and strategic counsel. The company has established systems and procedure to ensure that the Board remains well-informed and well-equipped to fulfill its oversight responsibilities and to provide the management, the strategic direction it needs to create for long-term shareholders value.

For us good governance and good business is not a destination but a continuing journey which is lead by strong, efficient and competent board.

1. BOARD OF DIRECTORS

The current policy of the Company is to have an executive Chairman who is also the Managing Director. There are a total of eight directors in the board of which independent directors consists of 63%. All Directors except Non-executive Directors have long experience in the Guar Gum Industry. None of the Non-executive Directors is responsible for day-to-day affairs of the company.



The Composition and category of Directors in the Board of the Company are: -

Name of the Director	category	Total Director	Total no. of membership		Total No. of Chairmanship of the Committees of Board		
			Ship	Board	Member-ship in audit/ Investor grievance committees	Member-ship in other committees	Chairman-ship in audit/ investor grievance committees
1. Sh. B.D. Agarwal	Chairman cum Managing Director	4	2	1	-	1	
2. Smt. Bimla Devi	Executive Director	4	-	-	-	-	
3. Smt. Kamini Jindal	Executive Director	2	1	-	-	-	
4. Sh. Ravi Sharma*	Independent Director	2	2	1	2	1	
5. Sh. Rakesh Jindal*	Independent Director	2	2	1	2	-	
6. Smt. Deepika Aggarwal	Independent Director	2	1	1	-	-	
7. Sh. Neeraj Chhabra	Independent Director	2	2	1	2	-	
8. Sh. Kishan Lal	Independent Director	1	-	-	-	-	
9. Sh. Vishnu Bhagwan	Independent Director	1	-	-	-	-	
10. Sh. R.A. Mittal	Independent Director	1	1	-	1	-	

*Sh. Ravi Sharma and Sh. Rakesh Jindal resigned from directorship on 04.01.2013.

Notes :-

- While considering the total number of directorships, directorships in private companies have also been included.

Details of Board meeting held during the financial year 2012-13.

During the financial year 2012-13, 15 (fifteen) board meetings were held and the gap between two meetings did not exceed four months. The dates on which said meetings were held are as follows:

10.04.2012, 31.05.2012, 28.06.2012, 16.07.2012, 24.07.2012, 14.08.2012, 29.08.2012, 9.11.2012, 20.11.12, 4.01.13, 29.01.2013, 12.2.2013, 28.2.2013, 28.03.2013 and 30.03.2013.

Detailed Agenda notes and the informations required to be given in terms of Companies Act, 1956 and Listing Agreement were circulated to the Board.

The necessary quorum was present for all the meetings.

Attendance at the Board meeting and last Annual General Meeting

Name of the Director	No. of Board meetings Attended	Attendance at the last AGM held on September 29, 2012
Sh. B.D. Aggarwal	13	Yes
Smt. Kamini Jindal	11	Yes
Smt. Bimla Devi	15	No

Name of the Director	No. of Board meetings Attended	Attendance at the last AGM held on September 29, 2012
Sh. Kishan Lal	7	Yes
Sh. Vishnu Bhagwan	7	Yes
Sh. Ravi Sharma*	9	Yes
Sh. Rakesh Jindal*	3	Yes
Sh. R.A. Mittal	5	Yes
Sh. Neeraj Chhabra#	4	-
Smt. Deepika Aggarwal#	3	-

*Sh. Ravi Sharma and Sh. Rakesh Jindal resigned from directorship on 04.01.2013.

Sh. Neeraj Chhabra and Smt. Deepika Aggarwal were appointed as a director w.e.f. 04.01.2013.

BRIEF PROFILE OF DIRECTORS

The Board of Directors comprises of highly renowned professionals drawn from diverse fields. They bring with them wide range of skills and experience to the Board, which enhances the quality of the Board's decision making process. Brief profile of the Company's Board of Directors is as under:

- Mr. B.D. Aggarwal (Managing Director & Chairman)**

Mr. B.D. Aggarwal is a well known and trusted name for Guar Gum Industry. He is one of the most respected business personalities in India. Not only for guar crop harvesting farmers he is a helping hand but also to others, may it be on farming end or educational end. He has introduced new standards in management, efficiency and corporate social responsibility to an industry he has helped transform.

Mr. Aggarwal is the Founder-Promoter and current Chairman and Managing Director of the company. In the year 1988 VIKAS WSP LIMITED was formed out his efforts. Entire journey of VIKAS has reached high peaks all because of dedicated and sincere efforts of Mr. Aggarwal. It is because of his efforts only that today, VIKAS WSP LIMITED is the largest guar gum exporting industry in India.

Under his leadership, VIKAS has achieved significant improvements in the areas of guar gum manufacturing may be it at organic end or quality end.
- Mrs. Bimla Devi Jindal (Executive Director)**

Mrs. Bimla Devi Jindal, wife of Mr. B.D. Aggarwal belonging to the promoter group is an Executive Director in the company. She has been appointed by the Board in 2005. She holds a Bachelor's Degree in Commerce from the University of Haryana. She belongs to a leading Guar Gum Industrialist family. Her long term experience and association with Guar Gum industry is helping and enlightening the glory paths of VIKAS.
- Mrs. Kamini Jindal (Executive Director)**

Mrs. Kamini Jindal, belonging to promoter group is an Executive Director in the company. She has been

appointed by the Board in 2012. Ms. Kamini Jindal is a person with excellent academic background and possesses good educational qualifications. She is Master of Art and Master of Philosophy. She is the youth diva in the board of the company. She is the daughter of Mr. B.D. Aggarwal and Bimla Devi Jindal, from her childhood she has taken keen interest in the working of the VIKAS. Her long term association with Guar Gum Industry has brought immense value to the board.

- Mr. Kishan Lal (Independent Director)**

Mr. Kishan Lal, Independent Director of the company has been appointed by the Board as an additional Director w.e.f. 27.10.2007. He holds a Master Degree in Science. He is the former Director General of Police, Government of Rajasthan. Mr. Kishan Lal is having a long term experience to enforce the law & orders. A highly disciplined personality with vast knowledge of legal aspects ultimately results in value addition to the efficiency and effectiveness of the Board.
- Mr. Ram Awtar Mittal (Independent Director)**

Mr. Ram Awtar Mittal, Independent Director of the company has been appointed by the Board as an additional Director w.e.f. 11.08.2008. He has retired from Indian Revenue Services and having long experience in Accounts, Audit and taxation. Presently, he is chairman of the Audit Committee in the company. A keen observer of minute details of facts and figures, his observations is helping in growth and expansion of the company.
- Mr. Vishnu Bhagwan (Independent Director)**

Mr. Vishnu Bhagwan, Independent Director of the company has been appointed by the board as an additional Director w.e.f. 27.10.2010. He was a member of the Indian Administration Service (IAS). Also he is master in arts and philosophy. Moreover he is a graduate in LLB. Having vast knowledge of legal aspect his professionalism is being reflected in company decisions.
- Mr. Neeraj Chhabra (Independent Director)**

Mr. Neeraj Chhabra, Independent Director of the company has been appointed by the Board as an Additional Director w.e.f. 04.01.2013. Mr. Neeraj Chhabra is a person with excellent academic background and possesses good educational qualifications. He is post graduate in Pharmacy. Having vast knowledge about chemical aspects, his expertise is leading company on high quality manufacturing guar gum powder.
- Mrs. Deepika Aggarwal (Independent Director)**

Mrs. Deepika Aggarwal, Independent Director of the company has been appointed by the Board as an Additional Director w.e.f. 04.01.2013. Mrs. Deepika Aggarwal is a person with excellent academic background and possesses good educational qualifications. She is Master of Art. Board has gained highest level of

managerial efficiencies as the management capabilities of efficient personnel are utilized by the board.

Journey of Vikas through its entire 25 years has been glorious and profiteering all because of the keen interest and efforts of the Directors of the company in its working and decision making.

REMUNERATION POLICY

(a) Remuneration Policy for Executive Director:

Subject to the approval of the Members and other approvals as may be required under the Companies Act, 1956, the remuneration of Managing Director is decided by the Board of Directors on the recommendation of the Compensation Committee. In determining the remuneration, the compensation committee takes into consideration the size of the Company's operations and the onerous responsibility required to be shouldered by the incumbent, the remuneration paid by comparable concerns and the performance of the company. Their respective annual salaries are as under:

S. No.	Name of the Director	Salary (Rs.)
1	Mr. B.D. Aggarwal	21,00,000
2	Mrs. Bimla Devi Jindal	3,00,000
3	Mrs. Kamini Jindal	6,00,000

(b) Remuneration policy of Independent Director:

In recognition of the contribution and the time spent on the company's business and taking into consideration the size and the complexity of the Company's operation the remuneration of Independent directors is fixed after the approval duly taken from shareholders in the Annual General Meeting. Their respective annual remuneration will be not more than as under:

S. No.	Name of the Director	Remuneration (Including sitting fees and disbursement of expenses to be not more than) (Rs.)
1	Ram Awtar Mittal	7,50,000
2	Vishnu Bhagwan	7,50,000
3	Kishan Lal	7,50,000
4	Deepika Aggarwal	3,60,000
5	Neeraj Chhabra	5,40,000

CODE OF CONDUCT

The Board of Directors has approved a Code of Business Conduct and Ethics which is applicable to the Members of the Board and all employees in the Management grade. The code has been posted on the company's website www.vikaswsp ltd.in.

The code lays down the standard of conduct which is expected to be followed by the concerned Directors and the designated employees in their business dealings and in particular on matters relating to conflict of interests, bribery and corruption, integrity of accounting and financial reporting, fair competition, Corporate Social Responsibility,

concern for sustainable development, concern for occupational health and safety, use of licensed software, email and internet and corporate communications.

All the board members and senior management personnel have confirmed compliance with the code.

2. AUDIT COMMITTEE

The Company has set up its Audit Committee in compliance with the provisions of Clause 49 of the Listing Agreements entered into with the Stock Exchanges read with Section 292A of the Companies Act, 1956 not only in letters but in spirit also.

The committee is reconstituted on 10.06.2005, 07.03.2006, 27.04.2009, 04.01.2013 & 28.02.2013.

Sh. Ram Awtar Mittal has been appointed as chairman of this committee. He has sound knowledge in finance, taxation and accounts and has long experience in this industry.

Sh. Rakesh Jindal and Sh. Ravi Sharma have resigned from the directorship of company on 04.01.2013. Smt. Deepika Aggarwal has resigned from the membership and Sh. Ram Awtar Mittal and Sh. Neeraj Chhabra are appointed as member of the committee.

The terms of reference of the Audit committee is very wide and includes overseeing the Company's:-

- * Financial reporting process and disclosure of its financial information;
- * to recommend the appointment of internal auditors;
- * to review internal control systems ;
- * to review Company's financial and risk management policies;
- * the scope of internal audit including the observations of the auditors;
- * major accounting policies, practices and entries;
- * to ensure the compliances with the accounting standards, Listing Agreement and other legal requirement concerning with the financial statements of the Company;
- * related party transactions, if any;
- * to review the quarterly, half- yearly and annual financial statements before they are submitted to the Board.

The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name of Director	Designation	Attended					
		16.07.12	14.08.12	09.11.12	04.01.13	12.02.13	28.02.13
Sh. R.A. Mittal#	Chairman	-	-	-	-	-	-
Sh. Ravi Sharma*	Ex-Chairman	Yes	Yes	Yes	Yes	-	-
Sh. Rakesh Jindal*	Member	Yes	Yes	Yes	Yes	-	-
Smt. Kamini Jindal	Member	Yes	Yes	Yes	Yes	Yes	Yes
Smt. Deepika Aggarwal**	Member	-	-	-	-	Yes	Yes
Sh. Neeraj Chhabra	Member	-	-	-	-	Yes	Yes

Sh. R.A. Mittal is appointed as the chairman of the committee on 28.02.13

* Sh. Ravi Sharma and Sh. Rakesh Jindal resigned from the directorship on 04.01.13.

** Smt. Deepika Aggarwal resigned from the membership of the Audit Committee on 28.02.13.

The minutes of the meetings of the audit committee are placed before the Board and the Company is following the recommendations of the audit committee.

3. COMPENSATION COMMITTEE

Company has constituted a compensation committee in the chairmanship of Mr. B. D. Agarwal and two Independent Directors namely Sh. Neeraj Chhabra and Smt. Deepika Aggarwal are the members of this committee. The Secretary of the committee is Mr. Ravinder Kumar Gupta.

4. INVESTOR GRIEVANCE COMMITTEE

The Board of Directors of the Company has constituted the Investors' Grievances Committee of Directors. The committee specifically redresses the grievances of the shareholders. The terms of reference of shareholders Grievance Committee inter-alia considers the following matters: -

- * Approves issue of Duplicate Share Certificates.
- * Looks into the redressal of shareholders complaints like non- receipt of Balance Sheet, Dividend Warrants and complaints pertaining to transfer of shares, etc.
- * The committee also considers the request of the shareholders for splitting/consolidation/renewal of certificate as may be referred by the share transfer committee.

The Investor Grievance Committee presently comprises of the following Members: -

- | | |
|--------------------------|----------|
| 1. Sh. Neeraj Chhabra | Chairman |
| 2. Smt. Deepika Aggarwal | Member |
| 3. Sh. B.D. Agarwal | Member |

5. DATE, VENUE & TIME FOR THE LAST THREE ANNUAL GENERAL MEETING

Date	Venue	Time	No. of Special Resolution
28.09.2010	In the local area of Regd. Office of the company at Railway Road, Siwani - 127046 (Haryana)	10.00 A.M.	None
28.02.2012		10.00 A.M.	Three
29.09.2012		10.00 A.M.	Five

6. DISCLOSURE

There are no materially significant related party transactions i.e. transactions material in nature with its promoters, the directors or the management, their subsidiaries or relatives etc., except with one group company wherein normal business transactions are made and that are not prejudicial to the interest of the company.

7. MEANS OF COMMUNICATION

The company's quarterly results, in the format prescribed by the Stock Exchanges, are approved and taken on record by the Board within the prescribed time frame and sent immediately to all Stock Exchanges on which the Company's shares are listed.

The quarterly unaudited financial results are generally published in the English and Vernacular newspapers. These results are published in Economic Times in all editions and in two newspapers of regional language and also submitted to Stock Exchanges to enable them to put them on their websites.

8. GENERAL SHAREHOLDER INFORMATION

These information's are furnished herein below: -

- (I) As indicated in the notice to our shareholders, the Annual General Meeting of the Company will be held on 27th September, 2013 in the local area of Regd. Office of the Company at 10.00 a.m.
- (II) The financial year of the Company is 1st April 2012 to 31st March 2013.
- (III) Date of Book Closure from 14th Sep. 2013 to 24th Sep. 2013 (both days inclusive) for the purpose of Annual Book Closure.

(IV) The company pursuant to Regulation 7 of Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009 ("Delisting Regulations") on voluntarily basis does applied for delisting of its equity shares from following regional stock exchanges where the securities of the company were listed, namely:

The Delhi Stock Exchange Association Ltd., Delhi
Jaipur Stock Exchange Ltd., Jaipur
The Stock Exchange, Ahmedabad
Cochin Stock Exchange Ltd., Cochin

However, the shares of the company continue to be listed on Bombay Stock Exchange, Bombay.

As per Delisting Regulation, Company's Securities can be delisted from Regional Stock Exchanges if the shares of the company continue to be listed on Bombay Stock Exchange (BSE). The benefits accruing to the investors by keeping the equity shares listed on these Stock Exchanges do not commensurate with the cost incurred by the company for the continued listing on these Stock Exchanges. The shareholders in the region of these Stock Exchanges will not suffer due to delisting as Bombay Stock Exchange has nationwide trading terminals.

- (V) Listing fees for the all the Stock Exchanges have been paid.
- (VI) In respect of transfer of physical shares, shareholders are advised to contact the Share Transfer Agent of the Company.
- (VII) Shares received for physical transfer are generally registered within a period of 15 days from the date of receipt.
- (VIII) As on March 31, 2013, the Distribution of our shareholding was as following: -

S. No.	No. of Equity Shares held	Share holders Nos.	No. of Shares	% of Share holding
1	Upto-5000	42721	27663038	20.127
2	5001-10000	896	6713832	4.885
3	10001-20000	458	6626586	4.821
4	20001-30000	161	4016053	2.922
5	30001-40000	81	2874500	2.091
6	40001-50000	55	2549430	1.855
7	50001-100000	107	7659502	5.573
8	100001 & above	95	79336659	57.725
	TOTAL	44574	137439600	100

Shareholding pattern as on 31st March 2013

Category	Nos. of shares held	% to Total
Promoters	34214781	24.89
Financial Institutions / Nationalized Banks & Mutual Fund	881901	0.64
Non-Resident Individuals/ OCBs/ FI's/ Foreign Nationals	8539327	6.21
Bodies Corporate	27376727	19.93
Resident Individuals	66426864	48.33
TOTAL	137439600	100

Shareholding of persons having more than 1% of Shares

S. No.	Name of shareholder	No. of shares held	% of shares
1	Bajrang Dass Aggarwal	23903432	17.39
2	Bimla Devi Jindal	4274832	3.11
3	Megh Raj	6036517	4.39
4	Foresight Holdings Private Limited	1800000	1.31
5	KCP Sugar and Industrial Corporation	1581721	1.15
6	Sushil Financial Services Private Limited	2013060	1.46
7	Vision Millenium Exports Private Limited	2456687	1.79
8	Goldman Sachs Investments	6016685	4.38

9	Aventis Biofeeds Private Limited	2439727	1.77
10	Shreyans Credit and Capital Private Limited	1619839	1.18
11	Sunmate Trade Private Limited	3016488	2.19
12	Babu Lal Jindal	1430458	1.04
13	Suresh Kumar Gupta	1426841	1.03

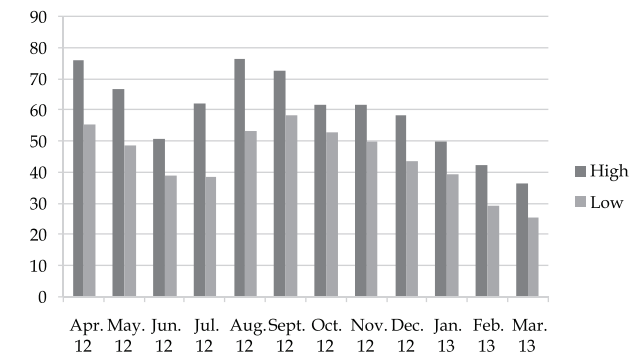
(viii) Dematerialization of shares

Over 98.14% of the listed Equity Shares have been dematerialized.

(ix) Demat ISIN Numbers in NSDL & CDSL : INE706A01022

(x) Stock Market Rate on BSE (Re.1/- per Share)

	Apr. 12	May. 12	Jun. 12	Jul. 12	Aug. 12	Sept. 12	Oct. 12	Nov. 12	Dec. 12	Jan. 13	Feb. 13	Mar. 13
High	76.20	66.70	50.80	62.20	76.55	72.60	61.70	61.80	58.50	49.80	42.05	36.25
Low	55.35	48.60	39.05	38.50	53.25	58.20	52.65	49.75	43.35	39.15	29.05	25.55



Diagrammatical presentation of monthly high low of stock price at Bombay Stock Exchange Ltd., Mumbai.

(xi) Share Transfer System/ Dividend and other related matters

- **SHARE TRANSFER**

Share transfer in physical form are processed and the share certificates are generally returned to the transferees within a period of 15 days from the date of receipt of transfer provided the transfer documents lodged with the company are complete in all respects.

- **NOMINATION FACILITY FOR SHAREHOLDING**

As per the provisions of the Companies Act, 1956, facility for making nomination is available for members in respect of shares held by them. Members holding shares in physical form may obtain nomination form on request. Members holding shares in dematerialized form should contact their Depository participants (DP) in this regard.

- **PERMANENT ACCOUNT NUMBER (PAN)**
Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee(s), members, surviving joint holders/legal heirs be furnished to the company while obtaining the services of transfer, transportation, transmission and issue of duplicate shares.
- **PAYMENT OF DIVIDEND THROUGH ELECTRONIC CLEARING SERVICE (NECS)**
The company provides the facility for remittance of dividend to the members through NECS. To facilitate dividend payment through NECS. Members who hold shares in Demat mode should inform their Depository Participants and such of the members holding shares in physical form should inform company of the core banking account number allotted to them by their bankers. In case where the core banking account number is not intimated to the company/Depository Participant, the company will issue dividend warrants to the members.
- **PENDING INVESTOR'S GRIEVANCES**
Any member/investor whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary on ravindergupta@vikaswsppltd.in or in physical form at the administration office of the company with a copy of the earlier correspondence.
- **RECONCILIATION OF SHARE CAPITAL AUDIT**
As required by the Securities and Exchange Board of India (SEBI) quarterly audit of the company's share capital is being carried out by an independent external practicing company secretary with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CSDL) and held in physical form, with the issued and listed capital. The Auditors certificate in regard to the same is submitted to BSE Limited is also placed before the Shareholder's/Investor's Grievance Committee and the Board of Directors.

(xii) Address for correspondence: -

Admn. Office	Regd. Office
B-86/87, Udyog Vihar	Railway Road, Siwani
RIICO Industrial Area,	127046 (Haryana)
Sri Ganganagar- 335002	
E-mail: ravindergupta@vikaswsppltd.in	
vikaswsppltd@gmail.com	
Website: www.vikaswsppltd.in	

(xii) Registrar & Transfer Agent

LINK INTIME INDIA PRIVATE LIMITED

44 Community Centre,
2nd Floor, Naraina Industrial Area,
Phase-I, Near PVR, Naraina
New Delhi-110028
Unit: - Vikas WSP Ltd.

9. Certification under Clause 49 (I) (D) of the Listing Agreement

All the Board Members and Senior Management personnel have affirmed compliance with the Codes of Conduct for Vikas WSP Limited for the financial year ended 31st March, 2013.

For VIKAS WSP LIMITED

Sd/-

Date : 14.08.2013

(B. D. Agarwal)

Place : Sri Ganganagar

Managing Director

10. Statement of Disclosure by Audit Committee to the Shareholders

To,

The Shareholders of

Vikas WSP Limited

In terms of Clause 49 of the Listing Agreement regarding Corporate Governance, we the members of the Audit Committee disclose in respect of the Financial Year 2012-13 that:

- 1) the Audit Committee has reviewed the Audited Financial Statement of the Company and held discussion on the quality of the accounting principles as applied and significant judgments affecting Company's financial statements;
- 2) the Audit Committee has discussed the quality of those principles as applied and judgments referred on (1) above under the circumstances;
- 3) the Chairman of the Audit Committee and its members after initial discussion amongst themselves, invited the Chairman and Executive Directors of the Company along with the Internal Auditor to discuss the various issues related to Audited Financial Statements of the Company. The Members of the Audit Committee discussed with the Management on the various issues pertaining to the Audited Financial Statements;
- 4) the Audit Committee, in reliance on the review and discussion conducted with Management in (1), (2) and (3) above, believed that the Company's financial statements are fairly presented in conformity with the generally accepted accounting principles in all material respects.

For and on Behalf of Audit Committee of

For VIKAS WSP LIMITED

Sd/-

Date : 14.08.2013

Ram Awtar Mittal

Place : Sri Ganganagar

Chairman, Audit Committee

11. CERTIFICATE ON CORPORATE GOVERNANCE

The certificate of Practicing Company Secretary on Compliance of Clause 49 of the Listing Agreement relating to Corporate Governance is hereunder: -

TO
THE MEMBERS
VIKAS WSP LTD.

CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by Vikas WSP Limited, for the year ended on March 31, 2013, as stipulated in clause - 49 of the listing agreement of the said Company with the stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in Clause -49 of the above mentioned listing agreement:-

1. The company has held five meetings of the Audit Committee during the financial year 2012-2013 on 20.05.2011, 20.08.2011, 18.11.2011, 16.01.2012, 12.02.2013 & 28.02.2013.
2. The Shareholders' Grievances Committee was functioning according to the Listing Agreement.

As per the records maintained by the company, no Investor's Grievances were pending for a period exceeding one month as on 31.03.2013.

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

For Nitesh Kumar Sinha
Company Secretaries
Sd/-

Per Nitesh Kumar Sinha
Partner
Membership No. 7648

Place: New Delhi
Date : 24.08.2013

12. NON MANDATORY RECOMMENDATIONS AS PER CLAUSE 49 OF THE LISTING AGREEMENT

- Chairman : The Company has an Executive Chairman & Managing Director
- Remuneration Committee : The Board has a Compensation Committee comprising majority of the independent director
- Shareholders Right : The Company ensures that any new developments related to its business; receive wide coverage in the press through regular press releases and electronic distribution &/ or sent to Bombay Stock Exchange as Corporate Announcement
- Postal Ballot : The business to be transacted at the ensuing general meetings do not require passing of resolution by postal ballot. The Company will extend this facility of voting by postal ballot on matters, specified for postal ballot in the Companies Act, 1956, as and when required

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY STRUCTURE & DEVELOPMENT

The Company VIKAS WSP was established in 1988. The Company is one of the India's foremost guar gum powder (GGP) manufacturer, supplying to all sectors of the food industry with an extensive range of quality products. Besides food, the Company also offers guar gum for technical applications such as pet food, oil drilling and fracturing, textile printing, paper making, etc. Per annum production capacity of all grades guar gum powder is 58800 MT. The Company is committed to provide its customers overall services and values that is the best. It has contributed significantly to our national output, employment and exports.

FUTURE OUTLOOK, OPPORTUNITIES AND THREATS

Your company - world's leading provider of guar gum polymers, knows how much traceability means to food and pharmaceutical producers. It offers a complete and trustworthy range of guar polymers world-wide and can fully prove their origins. Traceability serves both regulatory and consumer requirements. The company is known for proven production processes, advanced quality systems and reliable supplies. These are the reasons that your company has abductured most of the expanding market of guar polymers. Company's R&D has a gimlet-eye on the application problems and their solutions which goes a long way in expanding its business in all segments in the years ahead. Currently, your company is the sole producer of "Certified Organic guar polymers" and the same is an opportunity for the company to spread its wings in markets where none existed before. Threats - Guar is a xerophytes plant and the rain pattern of the monsoons in the Indian arid zone - mainly Western desert of Rajasthan provides ideal growing conditions. The need for just the right amount of rain at the right time leaves the guar crop heavily dependent on the annual rainfall pattern and causes occasional wide swings in guar supply and prices. With the emergence of irrigated guar seeds, dependency of guar crop on monsoon has been minimized. Now its crop is irrigated with canal water at the right time that increased its per hectare yield greatly.

COMPANY'S PERFORMANCE

During the current year under review your company has achieved a total turnover of Rs. 290635.52 lakhs as compared to Rs.106357.26 lakhs in the previous year During the year under review the company has earned a net profit of Rs. 34453.16 lakhs as compared to net profit of Rs. 15467.56 millions during previous year.

FOREIGN EXCHANGE EARNINGS

Your Company remains committed to enlarging Foreign Exchange Earnings. Earnings from exports create growing value for the Indian Economy and also serve to benchmark the competitiveness of your Company's operations with global standards.

The VIKAS WSP's contribution to Foreign Exchange Earning was accounted for the agro exports, a measure of your company's growing contribution to the rural economy.

BUSINESS SEGMENT

As the Company is dealing only in Guar derivatives and Guar Polymers, therefore, segment wise detail is not required to incorporate.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company is having adequate internal control systems and procedures which commensurate with the size of the Company. All the departments of the Company are following the established rules and regulations for internal control systems. Company established a Internal Control Audit Department which ensure that the internal control systems are properly followed by all the concerned departments of the Company.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

Beyond Balance Sheet, Company's singly biggest asset is its Human Resource. The Company is of firm belief that the human resources are the driving force towards progress and success. The Company continued its policy of attracting and recruiting best available talents so that it can face business challenges ahead. The Company also offers attractive compensation packages to retain and motivate its professionals so that they can infuse their best efforts. The industrial relation continues to be cordial during the year.

Though the statement and views expressed in the above said report are on the basis of certain assumptions and expectations of future events, but actual results may differ from whatever is stated in the report.

INDEPENDENT AUDITORS' REPORT

To the Members of
Vikas WSP Limited

Report on the Financial Statements

We have audited the accompanying financial statements of VIKAS WSP LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the

Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2013, and

taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Arun K. Agarwal & Associates
Chartered Accountants
FRN:03917N

Vimal Kumar Jain

Partner

Place : Sri Ganganagar

Date : 28.05.2013

Membership No.: 086657

Annexure to Independent Auditors' Report to the Members of Vikas WSP Limited

Referred to Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a system of physical verification of fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification during the year.
- c) No fixed assets were disposed off during the year.
- (ii) a) The inventory has been physically verified by the management during the year, except goods-in-transit. In our opinion, the frequency of such verification is reasonable.
- b) The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly adjusted in the books of account.
- (iii) As informed to us, the Company has neither granted nor taken any loans, secured or unsecured, to or from companies or firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

In our opinion and according to the information and explanations given to us, that purchases of certain raw materials are for the Company's specialised requirements and similarly goods sold are for the specialised requirements of the buyers and suitable alternative sources are not available to obtain comparable quotations. Internal control system of the company is adequate looking into the size and operations of the company *except in respect of fixed assets, where no capital budget was placed before the board.*

- (v) (a) In our opinion and according to the information and explanations given to us, the contracts or arrangements, referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (a) above and exceeding the value of Rs 5 lakh are for purchases of certain items of inventories which are of specialised requirements of the company and similarly sale of certain goods are for the specialised requirements of the buyers and for which suitable alternative sources are not available to obtain the comparable quotations. However, on the basis of information and explanations provided, the same appear reasonable.
- (vi) The company has not accepted any deposits from the public.
- (vii) The Company has an internal audit system. In our opinion, the scope of work of internal audit and compliance needs be strengthened to make it commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the company in pursuant to the rules prescribed by the Central Government for the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of

the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including, Provident Fund, Sales tax, Income tax, Service tax, Excise duty, Wealth tax, Customs duty, Investor Education and Protection Fund, Cess and other material statutory dues to the extent applicable, have generally been deposited regularly during the year by the Company with the appropriate authorities *except there have been slight delays in few cases in respect of tax deducted at source.*

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income-tax, Sales tax, Service tax, Customs duty, Wealth tax, Investor and Education Fund, Excise duty, Cess and other material statutory due were in arrears as at 31 March 2013 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Sales tax, Wealth tax, Service tax, Excise duty, Customs duty and Cess, which have not been deposited with the appropriate authorities on account of any dispute. As informed to us, dues relating to Income tax and service tax which has been deposited under protest is as follows:

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax	3,072,093	1995-96	High Court of Punjab and Haryana
Service tax Act	Service Tax	4,90,00,499	2006-07 to 2010-11	Customs, Excise and service tax Appellate Tribunal

- (x) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank. The Company did not have any outstanding debentures during the year.

- (xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) According to the information and explanations given to us, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by others from banks during the year, are, prima facie, not prejudicial to the interest of the Company.
- (xvi) According to the information and explanations given to us, the term loans availed by the company, were prima facie, applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of financial statement of the Company, funds raised on short-term basis have, prima facie, not been used for long-term investments.
- (xviii) The Company has not made any preferential allotment of shares to companies or firm or parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money by way of public issues during the year.
- (xxi) Based on the information and explanations given and audit procedure performed by us, no fraud on or by the company has been noticed or reported during the year.

For Arun K. Agarwal & Associates
Chartered Accountants
FRN:03917N

Vimal Kumar Jain

Place : Sri Ganganagar
Date : 28.05.2013

Partner
Membership No.: 086657

VIKAS WSP LIMITED

Balance Sheet as at 31 March, 2013

(All amounts are in Indian Rupees Lakhs, except if otherwise stated)

	Notes	As at 31 March 2013	As at 31 March 2012
Equity and liabilities			
Shareholders' funds			
Share capital	2	1,374.40	1,374.40
Reserves and surplus	3	138,348.02	105,502.84
Non-current liabilities			
Long-term borrowing	4	400.00	2,000.00
Deferred tax liability (net)	5	3,457.18	2,981.30
Long-term provisions	6	74.27	68.64
Current liabilities			
Short-term borrowings	7	14,587.78	7,317.90
Trade payables	8	26,749.27	14,535.76
Other current liabilities	9	19,703.48	15,041.80
Short-term provisions	10	9,846.27	2,167.74
Total		214,540.67	150,990.38
Assets			
Non-current assets			
Fixed assets			
Tangible assets	11A	88,592.53	90,861.84
Intangible assets	11B	1.47	-
Capital work in progress		1,273.53	175.42
		89,867.53	91,037.26
Long term loans and advances	12	621.02	511.80
Other non-current assets	13	111.14	104.17
Current assets			
Inventories	14	37,544.52	26,596.35
Trade receivables	15	21,637.19	12,159.06
Short term loans and advances	16	61,514.95	16,404.58
Cash and bank balances	17	3,244.32	4,177.16
		123,940.98	59,337.15
Total		214,540.67	150,990.38
Significant accounting policies	1		
The accompanying notes are an integral part of the financial statements.	2-37		

As per our report attached

For Arun K Agarwal & Associates

Chartered Accountants

Firm Registration No. 003917N

For and on behalf of the Board of Directors of Vikas WSP Limited

Vimal Kumar Jain

Partner

Membership no: 086657

B.D. Agarwal

Managing Director

Bimla Devi Jindal

Director

Ravinder K. Gupta

Company Secretary

Place : Sri Ganganagar

Date : 28.05.2013

Place : Sri Ganganagar

Date : 28.05.2013

Place : Sri Ganganagar

Date : 28.05.2013

Place : Sri Ganganagar

Date : 28.05.2013

VIKAS WSP LIMITED

Statement of profit and loss for the year ended 31 March, 2013

(All amounts are in Indian Rupees Lakhs, except if otherwise stated)

	Notes	For the year ended 31 March 2013	For the year ended 31 March 2012
Income			
Revenue from operation	18	290,635.52	106,357.26
Other income	19	565.34	202.99
Total (I)		291,200.86	106,560.25
EXPENDITURE			
Cost of materials consumed	20	220,765.93	61,547.48
(Increase)/ decrease in stock of finished goods	21	(7,718.89)	(2,985.73)
Purchase of stock-in-trade		6,043.87	10,014.74
Employee benefits expenses	22	1,169.32	796.94
Finance cost	23	2,611.21	2,587.68
Depreciation and amortization expenses		4,543.72	4,483.81
Other expenses	24	12,069.57	7,250.65
Total (II)		239,484.73	83,695.57
Profit/(loss) before tax		51,716.13	22,864.68
Tax expenses			
- current tax		16,788.12	6,910.77
- wealth tax		0.30	0.27
- tax provision no longer required		(1.33)	-
- deferred tax		475.88	486.08
Total Tax expenses		17,262.97	7,397.12
Profit/(loss) for the year		34,453.16	15,467.56
Earnings per share (basic and diluted) - Rs.	25	25.07	11.25
Significant accounting policies			
The accompanying notes are an integral part of the financial statements.	1 2-37		

As per our report attached

For Arun K Agarwal & Associates
Chartered Accountants
Firm Registration No. 003917N

For and on behalf of the Board of Directors of Vikas WSP Limited

Vimal Kumar Jain
Partner
Membership no: 086657

B.D. Agarwal
Managing Director

Bimla Devi Jindal
Director

Ravinder K. Gupta
Company Secretary

Place : Sri Ganganagar
Date : 28.05.2013

Place : Sri Ganganagar
Date : 28.05.2013

Place : Sri Ganganagar
Date : 28.05.2013

Place : Sri Ganganagar
Date : 28.05.2013

VIKAS WSP LIMITED

Cash flow statement for the year ended 31 March, 2013

(All amounts are in Indian Rupees Lakhs except if otherwise stated)

Particulars	As at 31 March 2013	As at 31 March 2012
Cash Flow From operating activities		
Profit before tax from operations	51,716.13	22,864.68
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization	4,543.72	4,483.81
Unrealised foreign exchange loss/(gain)	(53.02)	(40.00)
Interest expenses	2,611.21	1,680.50
Interest income	(151.45)	(105.22)
Operating profit before working capital changes	58,666.59	28,883.77
Movements in working capital		
Increase/(decrease) in trade payables	12,213.51	12,971.09
Increase/(decrease) in long term provisions	5.64	14.00
Increase/(decrease) in short term provisions	(110.72)	0.33
Increase/(decrease) in other current liabilities	4,691.45	14,267.70
Decrease/(increase) in trade receivables	(9,425.11)	(6,620.91)
Decrease/(increase) in inventories	(10,948.17)	(22,813.49)
Decrease/(increase) in other non current assets	(6.97)	(6.53)
Decrease/(increase) in long term loans and advances	(109.22)	(317.60)
Decrease/(increase) in short term loans and advances	(47,447.93)	(9,804.33)
Cash generated from / (used in) operations	7,529.07	16,574.03
Direct taxes paid (net of refunds)	(6,669.57)	(4,170.35)
Net cash flow from / (used in) operating activities (A)	859.50	12,403.68
Cash flows from investing activities		
Purchase of fixed assets, CWIP and capital advance	(3,373.99)	(5,247.50)
Redemption / (investments) in bank deposits (having maturity of more than 3 month)	(40.33)	(525.63)
Interest received	151.45	105.46
Net cash flow from / (used in) investing activities (B)	(3,262.87)	(5,667.67)
Cash flows from financing activities		
Proceeds from long term borrowings	-	2,000.00
Repayment of long term borrowing	(1,600.00)	-
Proceeds from short term borrowings	8,806.58	5,650.76
Repayment of short term borrowing	(1,536.70)	(7,837.99)
Interest paid	(2,640.98)	(2,003.86)
Dividends paid on equity shares	(1,374.40)	(1,030.80)
Tax on equity dividend paid	(224.29)	(57.07)
Net cash flow from / (used in) in financing activities (C)	1,430.21	(3,278.96)

Net increase / (decrease) in cash and cash equivalents (A+B+C)	(973.16)	3,457.05
Cash and cash equivalents at the beginning of the year	<u>3,616.06</u>	<u>159.01</u>
Cash and cash equivalents at the end of the year	<u>2,642.90</u>	<u>3,616.06</u>
Components of cash and cash equivalents		
Cash on hand	1.28	10.64
With banks on current account		
- on deposit account	1,478.59	2,504.28
- unpaid dividend accounts	89.60	90.85
With banks fixed deposit	<u>1,073.43</u>	<u>1,010.29</u>
Total cash and cash equivalents	<u><u>2,642.90</u></u>	<u><u>3,616.06</u></u>

As per our report attached

For Arun K Agarwal & Associates
Chartered Accountants
Firm Registration No. 003917N

For and on behalf of the Board of Directors of Vikas WSP Limited

Vimal Kumar Jain
Partner
Membership no: 086657

B.D. Agarwal
Managing Director

Bimla Devi Jindal
Director

Ravinder K. Gupta
Company Secretary

Place : Sri Ganganagar
Date : 28.05.2013

Place : Sri Ganganagar
Date : 28.05.2013

Place : Sri Ganganagar
Date : 28.05.2013

Place : Sri Ganganagar
Date : 28.05.2013

VIKAS WSP LIMITED

Notes to financials statements for the year ended on 31 March 2013

(All amount are in Indian Rupees Lakhs, except if otherwise stated)

1. SIGNIFICANT ACCOUNTING POLICIES

1.1. Basis of preparation

The financial statements are prepared under historical cost convention on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) in India, applying the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Revised Schedule VI to the companies Act, 1956. Company has determined its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

1.2. Use of estimates

The preparation of financial statements requires estimates and assumptions which affect the reported amount of assets, liabilities, revenues and expenses of the reporting period. The Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

1.3. Fixed Assets

Fixed assets are stated at acquisition cost less accumulated depreciation and impairment, if any. Cost includes inward freight, duties, taxes and incidental expenses related to acquisition and installation incurred up to the date of commissioning of the assets.

1.4. Depreciation

Depreciation is provided under the straight-line method based on the estimated useful lives of the assets which are equal to the rates specified in Schedule XIV to the Companies Act, 1956 except in case of plant and machinery where depreciation is provided at the rate of 7.69%.

Assets costing below Rs. 5,000 are depreciated fully in the year of purchase.

1.5. Inventories

Inventories are valued as follows:

Raw materials, stores and spares and packing materials

Lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

Work in progress and finished goods

Lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion to make the sale.

1.6. Revenue recognition

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

1.7. Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the customer. In case of export sales this coincides with shipment of goods.

Revenue in case of sale of domestic products is recognised at the point of despatch which coincides with the transfer of risks and rewards of ownership.

1.8. Foreign exchange transactions

Foreign exchange transactions are recorded at the exchange rates prevailing at the date of transaction. Foreign currency assets and liabilities remaining unsettled at the Balance Sheet date are translated at the rates of exchange prevailing on that date. Gains/ losses arising on account of realisation/ settlement of foreign exchange transactions and on translation of foreign currency assets and liabilities are recognised in the statement of profit and loss.

1.9. Employee benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Defined contribution plans

The employee's provident fund scheme is a defined contribution plan. The Company's contribution paid / payable under the scheme is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the statement of profit and loss.

1.10. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or productions of qualifying assets is capitalised as part of assets. Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.11. Segment Reporting

Segment accounting policies are in line with the accounting policies of the company. In addition, the following specific accounting policies have been followed for segment reporting:

- Segment revenue includes sales and other income directly identifiable with/ allocable to the segment.
- Expenses that are directly identifiable with/ allocable to segments are considered for determining the segment result. Expenses which relate to the company as a whole and not allocable to segments are included under "Unallocable expenditure".
- Income which relates to the company as a whole and not allocable to segment is included in "Unallocable income"
- Segment assets and liabilities include those directly identifiable with the respective segments.

1.12. Leases

Assets leased by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such lease are capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incident to ownership of an asset substantially vest with the lessor, are recognized as operating lease. Lease payments under operating leases are recognized in the statement of profit and loss on a straight line basis.

1.13. Earnings per share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where results would be anti-dilutive.

1.14. Taxation

Income tax expense comprises current tax, (that is amount of tax for the period determined in accordance with the Income tax laws) and deferred tax charge or credit (reflecting the tax effects of timing difference between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liability and/ or deferred tax assets is recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and are written down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

In accordance with the provisions of Section 115JAA of the Income-tax Act, 1961, the Company is allowed to avail credit equal to the excess of Minimum Alternate Tax (MAT) over normal income tax for the assessment year for which MAT is paid. MAT credit so determined can be carried forward for set-off for ten succeeding assessment years from the year in which such credit becomes allowable. MAT credit can be set-off only in the year in which the Company is liable to pay tax as per the normal provisions of the Income-tax Act, 1961 and such tax is in excess of MAT for that year. Accordingly, MAT credit entitlement is recognised only to the extent there is convincing evidence that the Company will pay normal tax during the specified period.

1.15. Impairment of assets

Management reviews the carrying amount of all assets at each Balance Sheet date using internal and external sources of information to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets or its cash generating unit is estimated. Impairment occurs where the carrying value of the assets or its cash generating unit exceeds the present value of future cash flows expected to arise from the continuing use of the asset or its cash generating unit and its eventual disposal. An impairment loss is recognized in the statement of profit and loss whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount and is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

1.16. Contingencies

A provision is created when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2. Share capital

	As at 31 March 2013	As at 31 March 2012
Share capital		
Authorised capital		
287,500,000 (previous year 287,500,000) equity shares of Re. 1 each	2,875.00	2,875.00
	2,875.00	2,875.00
Issued, subscribed and paid up capital		
137,439,600 (previous year 137,439,600) equity shares of Re.1 each fully paid up	1,374.40	1,374.40
	1,374.40	1,374.40

2a. Reconciliation of the number of shares:

Equity Shares

	As at 31 March 2013		As at 31 March 2012	
	Numbers	Amount	Numbers	Amount
Balance at the beginning of the year	137,439,600	1,374.40	137,439,600	1,374.40
Issued during the year	-	-	-	-
Balance at the end of the year	137,439,600	1,374.40	137,439,600	1,374.40

2b. Terms/rights attached to equity shares

The Company has one class of equity shares having a par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts.. The distribution will be in proportion to the number of equity shares held by the shareholders.

2c. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31 March 2013		As at 31 March 2012	
	Numbers	% Holding	Numbers	% Holding
Equity shares of Rs. 1 each fully paid				
B D Agarwal	23,903,432	17.39%	9,857,259	7.17%

As per the records of the company, including its register of members

2d. Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, Aggregate number and class of shares allotted as fully paid up by way of bonus shares , and aggregate number of shares and class of shares bought back, during the period of five year immediately preceding the reporting date.

	31 March 2013	31 March 2012	31 March 2011	31 March 2010	31 March 2009	31 March 2008
Equity shares allotted as fully paid up pursuant to contracts for consideration other than cash	-	-	-	-	-	-
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	-	-	-	-
Equity shares bought back by the company	-	-	-	-	-	-

3. Reserves and surplus

	As at 31 March 2013	As at 31 March 2012
Capital reserve	101.72	101.72
Securities premium reserve	29,963.22	29,963.22
General reserve		
Balance as at the beginning of the year	21,680.75	20,132.75
Add: transferred from surplus in the statement of profit and loss	3,446.00	1,548.00
Balance as at the end of the year	25,126.75	21,680.75
Surplus/(deficit) in the statement of profit and loss		
Balance as at the beginning of the year	53,757.15	41,434.95
Profit for the year	34,453.16	15,467.56
Less: Appropriations		
Proposed dividend on equity shares for the year	(1,374.40)	(1,374.40)
Dividend distribution tax on Proposed dividend on equity shares	(233.58)	(222.96)
Transfer to general reserve	(3,446.00)	(1,548.00)
Balance as at the end of the year	83,156.33	53,757.15
Total Reserves and Surplus	138,348.02	105,502.84

4. Long-term borrowings

Secured loans

Term loan from financial institution	400.00	2,000.00
Total	400.00	2,000.00

4a. Nature of security, terms of repayment and defaults made for secured borrowings

Nature of Security

The Company had obtained secured loan for general corporate purposes including capital expenditure for expansion projects and augmentation of long term working capital of Rs. 8,000 (sanctioned amount) from IFCI Limited secured by exclusive charge and mortgage on all moveable and immovable fixed assets of the Company situated at Plot no. E-255 to 257 in RIICO Industrial Area and Plot no. F-92 in Udyog Vihar, Sri Ganganagar.

Mr. B.D. Agarwal, Mrs. Bimla Devi Jindal being director and shareholders of the company and Mr. Megh Raj Jindal, shareholder of the Company have pledged their shareholding aggregating to 17,859,018 (previous year 17,859,018) equity shares of Re 1 each and have also provided their personal guarantees.

All the promoters and their associates have pledged their entire shareholding in Vikas Granaries Limited (Companies under the same management) aggregating 12,340,000 equity shares of Rs. 10 each. (previous year 12,340,000 equity shares of Rs. 10 each).

Terms of repayment

The loan is repayable in installments of Rs. 400 lakhs per quarter.

5. Deferred tax liabilities (net)

Deferred tax liability

Difference in written down value of tax books and accounting books	3,531.14	2,985.98
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Deferred tax asset

Provision for gratuity and doubtful advances	(73.96)	(4.68)
Total	3,457.18	2,981.30

6. Long term provisions

	As at 31 March 2013	As at 31 March 2012
Provision for employee benefits:		
Provision for gratuity (refer to note 33)	74.27	68.64
Total	74.27	68.64

7. Short-term borrowings

Secured:

From bank

Export packing credit (refer to note (i) below)	8,964.10	4,371.10
Bill discounting (refer to note (i) below)	5,604.47	1,410.10
Bank overdraft	19.21	-

From others

Hypothecation of stock (refer to note (ii) below)	-	1,536.70
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Total	14,587.78	7,317.90
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7a. Nature of security and terms of repayment for secured borrowings

(i) The Company has obtained a packing credit limit and foreign documentary bill purchase/discounting facility of Rs. 1,500 each from Punjab National Bank secured by pari passu charge on inventory, assignment of debtors, demand bill accompanied by invoice and bill of lading evidencing shipment of goods and mortgage of immovable assets of the Company at SP-241 and B-86/87 Udyog Vihar, RIICO Industrial Area, Sri Ganga Nagar and lien on fixed deposits of Rs. 1,674.85 (previous year 1,571.38). During the year, company has obtained an ad-hoc packing credit limit of Rs.850.00 from Punjab National Bank.

Mr. Meghraj Jindal, Mrs. Bimla Devi Jindal and Mr. B.D. Agarwal, directors of the Company have also provided their personal guarantees.

The Company has obtained additional packing credit limit and foreign documentary bill purchase/discounting facility of Rs. 3,000 which is interchangeable from Bank of India secured by pari passu charge on inventory, assignment of debtors, demand bill accompanied by invoice and bill of lading evidencing shipment of goods and pari passu charge over land, building, plant and machinery situated at SP-241 and B-86/87, Udyog Vihar, RIICO Industrial Area, Sri Ganga Nagar. Mr. Meghraj Jindal, Mrs. Bimla Devi Jindal and Mr. B.D. Agarwal, directors of the Company have also provided their personal guarantees.

The Company has obtained additional packing credit limit and foreign documentary bill purchase/discounting facility of Rs. 5,000 each from Union Bank of India secured by pari passu charge on inventory, assignment of debtors, demand bill accompanied by invoice and bill of lading evidencing shipment of goods and pari passu charge over land, building, plant and machinery situated at SP-241 and B-86/87, Udyog Vihar, RIICO Industrial Area, Sri Ganga Nagar and against mortgage of Plot No. G-229 to 238 and F-239 to 248, Industrial area, Boranada IIIrd Phase, Jodhpur. Mr. B.D. Agarwal, Mrs. Bimla Devi Jindal and Ms. Kamini Jindal directors of the Company have also provided their personal guarantees.

(ii) The Company has obtained funds by pledging its stock with third party.

8. Trade payables

	As at 31 March 2013	As at 31 March 2012
Trade payables (refer to note 31)	26,749.27	14,535.76
Total	26,749.27	14,535.76

9. Other current liabilities

Current maturities of long-term borrowings (also refer to note 4)	1,600.00	1,600.00
Interest accrued but not due on borrowings	34.36	64.13
Unclaimed dividend [refer to note (a) below]	89.60	90.60
Advances from customers	17,025.79	12,154.57
Salary and bonus payable	136.52	84.92
Amount due to promoter	-	395.22
Statutory dues including Provident Fund and Tax deducted at source	77.10	88.77
Other payables	740.11	563.59
	19,703.48	15,041.80

(a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.

10. Short term provision

Provision for employee benefits:

Provision for gratuity (refer to note 33)	3.71	2.26
	3.71	2.26

Other provisions

Provision for Tax (net of MAT availment of Rs.2,337.56, advance tax of Rs. 6,200.00 and TDS of Rs. 16.27)	8,234.28	454.36
Provision for wealth tax	0.30	0.27
Provision for proposed dividend on equity shares	1,374.40	1,374.40
Provision for dividend distribution tax on proposed dividend on equity shares	233.58	224.29
Provision for interest on dividend	-	112.18
	9,842.56	2,165.49
	9,846.27	2,167.74

(figure in lacs)

Note 11 : Fixed assets

Particulars	Gross Block			Depreciation			Net Block	
	As at 1 April 2012	Additions during the year	Deletions/ adjustments	As at 31 March 2013	As at 31 March 2013	For the year	As at 31 March 2013	As at 31 March 2012
A) Tangible assets								
Land								
- Freehold*	42,312.89	-	-	42,312.89	-	-	42,312.89	42,312.89
- Leasehold	1,014.85	1,161.00	-	2,175.85	-	-	2,175.85	1,014.85
Buildings	1,054.50	98.16	-	1,152.66	341.19	34.92	776.55	713.31
Plant and equipment	69,284.38	841.21	-	70,125.59	22,577.68	4,486.31	43,061.60	46,706.70
Furniture and fixtures	7.27	54.03	-	61.30	1.04	1.23	59.03	6.23
Vehicles	142.66	96.33	-	238.99	68.81	17.26	152.92	73.85
Office equipments	54.08	23.57	-	77.65	20.07	3.89	53.69	34.01
Total (A)	113,870.63	2,274.30	-	116,144.93	23,008.79	4,543.61	88,592.53	90,861.84
B) Intangible assets								
Computer Softwares	-	1.58	-	1.58	-	0.11	1.47	-
Total (B)	-	1.58	-	1.58	-	0.11	1.47	-
Total (A+B)	113,870.63	2,275.88	-	116,146.51	23,008.79	4,543.72	88,594.00	90,861.84
Previous year	108,625.30	5,245.33	-	113,870.63	18,524.98	4,483.81	90,861.84	90,100.33

*There are restrictions on transferability of freehold land having an original cost of Rs. 27,857.47 (previous year Rs. 27,857.47) for 20 years from the date of acquisition i.e. 12 March 2008. This free hold land was purchased by the Company from Government of Rajasthan under Indira Gandhi Canal Project vide document number 17041/90 and the same is registered in the name of the Company though the necessary mutation in the revenue records is pending. Further, there are restrictions on freehold land having an original cost of Rs. 11,407.80 (previous year Rs. 11,407.80) for 10 years from the date of acquisition i.e. 15 March 2010.

12. Long term loans and advances

	As at 31 March 2013	As at 31 March 2012
Unsecured, considered good (unless otherwise stated):		
Capital advances	381.97	368.22
Security Deposits	239.05	143.58
Total	621.02	511.80

13. Other non-current assets

Long term deposits with banks with maturity period more than 12 months (refer to note (a) below)	111.14	104.17
Total	111.14	104.17

(a) Held as lien by bank against bank guarantees.

14. Inventories

(At lower of cost or net realisable value)

Raw Materials	23,897.14	20,756.17
Finished goods		
- in stores	7,363.54	3,510.99
- in transit	5,826.83	1,960.49
Consumables , stores and spares	394.77	297.08
Packing materials	62.24	71.62
	37,544.52	26,596.35

14a. Details of Raw Material

Guar	11,182.18	11,109.39
Guar Split	12,683.68	9,546.53
Other	31.28	100.25
Total	23,897.14	20,756.17

14b. Details of Finished Goods

(i) Goods Manufactured

Guar Gum Powder - in store	7,363.54	3,510.99
Guar Gum Powder - in transit	5,826.83	1,960.49
Total	13,190.37	5,471.47

15. Trade receivables

Unsecured, considered goods unless otherwise stated

Outstanding for a period exceeding 6 months from the date they are due for payment	-	-
Others	21,637.19	12,159.06
Total	21,637.19	12,159.06

16. Short term loans and advances

	As at 31 March 2013	As at 31 March 2012
Unsecured considered good, unless otherwise stated		
Loans and advances to related parties		
- considered good	-	9,025.73
Others loans and advances		
Advance recoverable in cash or kind (unsecured considered good)	3,053.70	2,341.44
Income tax refund receivable	140.40	140.40
VAT credit receivable	45.53	34.82
MAT credit receivable	-	2,337.56
Advance to suppliers	56,238.78	2,524.63
Receivable for seed distribution	2,036.54	-
Doubtful loans and advances		
Advance to suppliers	150.00	150.00
Less: Provision for doubtful	(150.00)	(150.00)
Total	61,514.95	16,404.58

17. Cash and bank balances

Cash and cash equivalents

Balances with banks:

In current accounts	1,478.59	2,504.28
Unclaimed dividend account	89.60	90.85
Demand deposit (less than 3 months maturity)*	1,073.43	1,010.29
Cash in hand	1.28	10.64

Other bank balances

Deposits with original maturity for more than 3 months but less than 12 months*	601.42	561.10
Total	3,244.32	4,177.16

* Held as lien against packing credit limit and foreign documentary bill purchase/discounting facility

	For the Year Ended 31 March 2013	For the Year Ended 31 March 2012
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18. Revenue from operations

Sale of goods (gross)

- exports	2,29,347.01	88,918.28
- domestic	55,794.16	13,613.15
	2,85,141.17	1,02,531.43
Less: excise duty	43.27	0.83
Sale of goods (net)	2,85,097.90	1,02,530.60
Other operating income		
Export Incentives	5,537.62	3,826.66
Total	2,90,635.52	1,06,357.26

18a. Details of sales

Guar gum powder	2,27,212.94	88,927.19
Guar split	57,928.23	13,604.24
	2,85,141.17	1,02,531.43

	For the Year Ended 31 March 2013	For the Year Ended 31 March 2012
18b. Details of export sales		
Direct Export	2,12,098.66	82,803.88
Export through EOU/Others	17,248.35	6,114.41
	<u>2,29,347.01</u>	<u>88,918.28</u>
19. Other income		
Interest on fixed deposits	151.45	105.22
Miscellaneous Income	413.89	97.77
Total	<u>565.34</u>	<u>202.99</u>
20. Cost of material consumed		
Raw material consumed		
Opening Stock	20,756.17	1,056.64
Add: Purchases	2,23,575.98	80,955.23
	<u>2,44,332.15</u>	<u>82,011.87</u>
Less: Closing Stock	23,897.14	20,756.17
Cost of Raw Material Consumed	<u>2,20,435.01</u>	<u>61,255.70</u>
Packing material consumed		
Opening Stock	71.62	61.32
Add: Purchases	321.54	302.08
	<u>393.16</u>	<u>363.40</u>
Less: Closing Stock	62.24	71.62
Cost of Packing Material Consumed	<u>330.92</u>	<u>291.78</u>
Total Cost of Materials Consumed	<u>2,20,765.93</u>	<u>61,547.48</u>
20a. Details of raw material consumed		
Guar	72,191.77	34,000.96
Guar split	1,44,096.63	25,000.11
Other	4,146.61	2,254.63
	<u>2,20,435.01</u>	<u>61,255.70</u>
21. (Increase)/decrease in stock		
Opening stock		
Finished goods of Guar Gum Powder		
- in stores	3,510.99	789.98
- in transit	1,960.49	1,695.77
Closing stock	<u>5,471.48</u>	<u>2,485.75</u>
Finished goods of Guar Gum Powder		
- in stores	7,363.54	3,510.99
- in transit	5,826.83	1,960.49
	<u>13,190.37</u>	<u>5,471.48</u>
(Increase)/ decrease in stock	<u>(7,718.89)</u>	<u>(2,985.73)</u>

22. Employee benefits expenses

	For the Year Ended 31 March 2013	For the Year Ended 31 March 2012
Salaries, wages and bonus	1,042.34	707.42
Contribution to provident and other funds (refer to note 33)	41.41	40.06
Staff welfare	85.57	49.46
Total	1,169.32	796.94

23. Finance cost

Interest		
- Bank borrowing	1,603.60	1,631.77
- Supplier	924.10	907.19
- Others	83.51	48.72
Total	2,611.21	2,587.68

24. Other expenses

Store and spares consumed	2,670.53	429.78
Power and fuel	3,827.18	2,976.17
Lease rent	2.40	2.40
Bank Charges	70.97	66.74
Repair and maintenance		
- plant and machinery	100.93	83.28
- building	10.21	17.48
- others	38.77	26.29
Insurance	244.43	121.65
Rates and taxes	32.74	13.74
Other manufacturing expenses	201.03	280.83
Travelling expenses	180.35	101.66
Legal and professional	142.84	170.66
Laboratory & testing expenses	72.19	126.67
Foreign exchange loss	1,320.68	360.82
Port handling charges	350.60	325.82
Freight	2,288.27	1,885.13
Miscellaneous	515.45	261.54
Total	12,069.57	7,250.65

Legal and professional expenses include payment to auditor

As auditor: *

Audit fee	60.00	100.00
Limited review	18.00	25.00

*exclusive of service tax

25. Earning per share (EPS)

Profit attributable to equity shareholders' (for basic and diluted earning)	34,453.16	15,467.56
Weighted average number of equity shares for basic and diluted earnings per share (face value of Re. 1 each (previous year Re. 1))	13,74,39,600	13,74,39,600
Basic and diluted (Rs.)	25.07	11.25

26. Value of imports calculated on CIF basis

	For the Year Ended 31 March 2013	For the Year Ended 31 March 2012
Chemicals	2,413.27	236.92
Plant and machinery	-	4,383.53
	2,413.27	4,620.45

27. Imported and indigenous raw materials, components and spare parts consumed

	For the year ended 31 March 2013		For the year ended 31 March 2012	
	%	Amount	%	Amount
i) Raw material				
Indigenous	100%	2,20,435.01	100%	61,255.70
ii) Stores and spare parts				
Indigenous	12%	309.57	67%	289.84
Imported	88%	2,360.96	33%	139.94
	100%	2,670.53	100%	429.78

28. Expenditure in foreign currency (accrual basis)

Bank Charges	9.49	34.27
Travel	1.12	1.31
	10.61	35.58

29. Earning in foreign currency (accrual basis)

FOB value of exports	2,10,684.26	81,829.18
	2,10,684.26	81,829.18

30. Foreign exchange exposures (hedged/un-hedged positions)

The Company's foreign currency exposures on account of receivables and payables, not hedged, are as follows:

Particulars	As at 31 March 2013		As at 31 March 2012	
	Rs.	Foreign Currency (in lakhs)	Rs.	Foreign Currency (in lakhs)
Receivables (USD)	13,193.55	242.58	1,688.05	33.00
Receivables (Euro)	-	-	53.03	0.78

31. Detail of dues to micro and small enterprises defined under the MSMED Act 2006

The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. The Ministry of Micro, Small and Medium enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small enterprises should mention in their correspondence with its customers the entrepreneur's Memorandum number as allocated after filling of the Memorandum. The Company has not received any claim for interest from any supplier under the said Act.

	As at 31 March 2013	As at 31 March 2012
- The principal amount and The interest due thereon remaining unpaid to any supplier as at the end of each accounting period,;		
Principal:	-	-
Interest:	-	-
- The amount of interest paid by The Company along with The amounts of The payment made to the supplier beyond the appointed day during the period;	-	-
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under this Act;	-	-
- The amount of interest accrued and remaining unpaid at The end of The period	-	-
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

32. Commitments and contingent liabilities

a) Firm capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs. 78.18 (previous year Rs. 371.02).

b) Other commitments

Pending contracts for guar seeds and splits net of advance and not provided for is Rs. 2187.84 (previous year Rs. 6,922.54)

c) Corporate guarantees provided

The Company has given corporate guarantees aggregating Rs. 3,500 (previous year Rs.3,500) to banks on behalf of others.

d) Claims against the Company not acknowledged as debts in respect of Income tax matters, under dispute

The Additional Commissioner of Income Tax, Bhiwani (the Assessing Officer) has raised an additional demand of Rs. 8.49 for the Assessment Year 1995-96 and interest thereon Rs. 22.23. The Company filed an appeal against the order passed by the Assessing Officer with the Commissioner of Income Tax (Appeals), Karnal. The Commissioner of Income Tax (Appeals) decided the matter in favour of the Company by setting aside the order passed by the Assessing Officer. Subsequently the Income tax department filed an appeal against the order of CIT (Appeals) in the Income Tax Appellate Tribunal ('the ITAT'), New Delhi which was accepted by the ITAT. Aggrieved by the order of ITAT, the Company has filed an appeal with the 'Hon'ble High Court of Punjab & Haryana ('the Hon'ble High Court'). The matter is currently pending before the Hon'ble High Court.

e) Claims against the Company not acknowledged as debts in respect of Service tax matters, under dispute

The Commissioner of Central Excise, Jaipur (the Assessing Officer) has raised a demand of Rs. 490.00 for the period 2006-07 to 2010-11. The Company filed an appeal against the order passed by the Assessing Officer with the Customs, Excise and Service Tax Appellate Tribunal (CESTAT), New Dehi and have deposited the amount of Rs. 490.00. The matter is currently pending before CESTAT.

33. Gratuity and other post-employment benefit plans

The Company has a defined benefit gratuity plan. Gratuity is payable to all eligible employees of the company on retirement or separation from the Company.

	Year Ended 31 March 2013	Year Ended 31 March 2012
a. Changes in Defined Benefit Obligation		
Liability at the beginning of the year	70.90	56.46
Interest cost	5.67	4.80
Current service cost	12.19	9.67
Benefits paid	-	-
Actuarial (gain)/loss	(10.78)	(0.02)
Liability at the end of the year	77.98	70.90

	As at 31 March 2013	As at 31 March 2012
b. Amount recognised in the balance sheet		
Liability at the beginning of the year	70.90	56.46
Expenses for the year	7.08	14.44
Benefit paid	-	-
Liability at the end of the year	77.98	70.90
	For the Year Ended 31 March 2013	For the Year Ended 31 March 2012
c. Expenses recognised in the Profit and Loss Account		
Current service cost	12.19	9.67
Interest cost	5.67	4.80
Settlement cost/credit	-	-
Net actuarial gain/(loss) recognised in the year	(10.78)	(0.02)
Net benefit expenses	7.08	14.44

	For the year ended		For the year ended	
	31 March 2011	31 March 2010	31 March 2013	31 March 2012
d. Experience adjustments				
Defined benefit obligation	56.46	28.20	77.98	70.90
Plan assets	-	-	-	-
Deficit	56.46	28.20	77.98	70.90
Experience adjustment on plan liabilities (loss)/gain	(4.38)	1.23	11.14	(0.26)
Experience adjustment on plan assets	-	-	-	-

e. The principal assumptions used in determining the gratuity benefit obligation are as given below:

	As at 31 March 2013	As at 31 March 2012
Discount rate	8.00%	8.50%
Salary escalation rate (p.a.)	8.00%	8.50%
Expected average remaining working life of employees (years)	29.28	27.71

The discount rate is based on the market yields of Government bonds as at the balance sheet date for the estimated term of the obligation. The salary escalation rate takes into account inflation, seniority, promotion and other relevant factors.

Demographic Assumption

1. Retirement Age	60 years	60 years
2. Mortality rate	LIC (1994-96)	
3. Leaving service :	Withdrawal rate	
Upto 30 years	3%	3%
31-44 years	2%	2%
Above 44 years	1%	1%

During the year the Company has recorded as expense of Rs 34.33 (previous year Rs. 25.62) towards provident fund, a defined contribution plan.

Leaves are encashed at the end of the year and not carried forwarded.

34. Segment information

As per Accounting Standard 17 "Segment Reporting" as specified in Rule 3 of Companies (Accounting standard) Rules, 2006, the primary segment reporting i.e. business segments is not applicable since the Company primarily operates within single

primary segment of manufacture and export of guar gum powder. Accordingly, primary segmental reporting is performed on the basis of geographical location of customer.

Geographical segments at the company primarily comprise customers located in US, Europe, India (Domestic) and others. Income in relation to segments is categorized based on items that are individually identified to those segments. It is not practical to identify the expenses, fixed assets used in the company's business or liabilities contracted, to any of the reportable segments, as the expenses, assets and liabilities are used interchangeably between segments. Accordingly, no disclosure relating to total segment results, total segment assets and liabilities have been made.

(Rs. In Lakhs)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Segment Revenue		
U.S.A	1,90,958.24	53,459.38
Europe	16,574.17	27,113.22
Domestic	72,999.25	19,727.55
Unallocated	4,566.24	2,230.45
Total	2,85,097.90	1,02,530.60
Add :		
Unallocable Revenue	6,102.96	4,029.65
Less :		
Finance Cost	2,611.21	2,587.68
Depreciation and Amortization	4,543.72	4,483.81
Unallocable Expenditure	2,32,329.80	76,624.08
Profit before tax	51,716.13	22,864.68
Tax expenses	17,262.97	7,397.12
Profit after tax	34,453.16	15,467.56

35. Related party disclosure

a. Transactions with related parties are summarised below :

Related party and nature of related party with whom transactions have taken place during the year

1) Key management personnel and their relatives (KMP)

Mr. B. D. Agarwal - Managing Director

Mr. Megh Raj Jindal - Director (till July 2012)

Ms. Kamini Jindal - Director

Mrs. Bimla Devi Jindal - Director

2) Entities controlled by KMPs

Vikas Granaries Limited

Vikas Chemi Gums (India) Limited #

Vikas Dall and General Mills (Partnership firm)

Shree GRG Home Developers Private Limited

Kuber Warehousing Private Limited

3) Entities over which significant influence is exercised by the KMPs

Vegan Colloids Limited #

Entities ceases to be related party with effect from 1st April 2012, hence no disclosure have been made for the current year.

Nature of transaction	Key management personnel		Entities controlled by KMP		Entities over which significant influence is exercised by the KMPs	
	For the year ended 31-Mar-13	For the year ended 31-Mar-12	For the year ended 31-Mar-13	For the year ended 31-Mar-12	For the year ended 31-Mar-13	For the year ended 31-Mar-12
Sales						
- Vikas Granaries Limited	-	-	10,606.94	2,571.24	-	-
- Vegan Colloids Limited	-	-	-	-	-	17,147.41
- Vikas Chemi Gums (India) Limited	-	-	-	30.27	-	-
Purchases of raw materials and finished goods						
- Vikas Granaries Limited	-	-	1,040.15	1,733.74	-	-
- Vegan Colloids Limited	-	-	-	-	-	8,281.00
- Vikas Chemi Gums (India) Limited	-	-	-	11,546.00	-	-
Lease rent paid						
- Vikas Chemi Gums (India) Limited	-	-	-	2.40	-	-
Payment made by others on behalf of the Company						
- Vegan Colloids Limited	-	-	-	-	-	194.60
- Vikas Chemi Gums (India) Limited	-	-	-	41.50	-	-
Payment received by the Company on behalf of others						
- Vikas Chemi Gums (India) Limited	-	-	-	35.68	-	-
Salary paid to						
- Mr. B D Agarwal	6.00	6.00	-	-	-	-
- Mr. Megh Raj Jindal	0.88	3.00	-	-	-	-
- Mrs. Bimla Devi Jindal	3.00	3.00	-	-	-	-
- Ms. Kamini Jindal	6.00	-	-	-	-	-
Corporate guarantees given on behalf of others by the Company						
- Vikas Granaries Limited	-	-	3,500.00	3,500.00	-	-
Shares pledged by certain directors for term loan taken by the Company						
- B D Agarwal	*	*	-	-	-	-
- Bimla Devi Jindal	*	*	-	-	-	-
- Megh Raj Jindal	*	*	-	-	-	-
b. Outstanding balances						
Advances receivable						
- Vikas Chemi Gums (India) Limited	-	-	-	9,025.73	-	-
Trade receivable						
- Vegan Colloids Limited	-	-	-	-	-	7,441.16
- Vikas Granaries Limited	-	-	2,167.43	1,363.01	-	-
Other payable						
- Mr. B.D. Agarwal	-	8.32	-	-	-	-
- Mrs. Bimla Devi Jindal	-	386.90	-	-	-	-

* The aforesaid directors of the Company have pledged their shares of the Company with IFCI Limited for term loan taken by the company with a sanctioned amount of Rs. 8,000 (Previous Year Rs. 8,000). Outstanding balance of the said loan as on 31st March 2013 is Rs. 2,000 (Previous Year 3,600)

36. Leases

- a. The company has taken certain Assets like Plant & Machinery & Factory building on an operating lease basis. The lease rentals are payable by the company on a monthly basis.
- b. Future minimum lease rentals payable as at 31st march 2013, as per the lease agreements:

	Year ended 31 March 2013	Year ended 31 March 2012
i) Not later than one year	1.60	2.40
ii) Later than one year and not later than five years	-	1.60
iii) Later than five years		
Total	1.60	4.00

c. Lease payments recognised in the Statement of Profit & Loss for the period are Rs. 2.40. (Previous year Rs. 2.40)

37. Previous Year's Figures

The pervious year's figures have been re-grouped/re-arranged wherever considered necessary.

As per our report attached

For Arun K Agarwal & Associates
Chartered Accountants
Firm Registration No. 003917N

For and on behalf of the Board of Directors of Vikas WSP Limited

Vimal Kumar Jain
Partner
Membership no: 086657

B.D. Agarwal
Managing Director

Bimla Devi Jindal
Director

Ravinder K. Gupta
Company Secretary

Place : Sri Ganganagar
Date : 28.05.2013

Place : Sri Ganganagar
Date : 28.05.2013

Place : Sri Ganganagar
Date : 28.05.2013

Place : Sri Ganganagar
Date : 28.05.2013

VIKAS WSP LIMITED

Registered Office: RAILWAY ROAD, SIWANI-127046 (HARYANA)

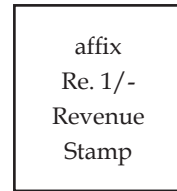
PROXY FORM

I/We, the undersigned as Equity Shareholders (s) of the company Vikas WSP Limited hereby appoint Mr. /Mrs.
..... of..... and failing him/her, Mr. /Mrs. of
..... as my/our proxy to vote for me/us at the Annual General Meeting of the Equity Shareholders
to be held on Friday the 27th day of September, 2013 at 10.00 A.M. at the Registered Office of the Company at Railway Road,
Siwani-127046, Distt. Bhiwani, Haryana and any adjournment thereof.

Signature.....

Note:

1. Please affix revenue stamp for appropriate value and sign across the stamp.
2. The Proxy must be deposited at the registered office of the Company not later than 48 hours before the time fixed for convening the meeting.
3. All alterations made in the Proxy Form should be initialed.



VIKAS WSP LIMITED

Registered Office: RAILWAY ROAD, SIWANI-127046 (HARYANA)

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

1. Full Name of Shareholder/Proxy.....
2. Registered Folio/Client ID & DP ID No.....
3. If Proxy, Full Name of Shareholder.....

I hereby record my presence at the Annual General Meeting of the Equity Shareholders to be held on Friday the 27th day of September, 2013 at 10.00 A.M. at the Registered Office of the Company at Railway Road, Siwani-127046, Distt. Bhiwani, Haryana and any adjournment thereof.

.....
Signature of Shareholder/Proxy





VIKAS WSP LIMITED

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