

**VIKAS WSP LIMITED**  
 B-86/87, Udyog Vihar, RIICO, Industrial Area  
 Sriganganagar - 335 002 /INDIA  
 E-mail : vikasvegan@yahoo.com , vikaswsp Ltd@gmail.com  
 Telephone : 81(154)2494512/2494552 Fax : 81(154)2494381/2475376



**FORM A**

| Sr. NO | PARTICULARS                                   | DISCRIPTION                  |
|--------|---|------------------------------|
| 1.     | NAME OF THE COMPANY                           | VIKAS WSP LIMITED            |
| 2.     | ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED | 31 <sup>ST</sup> MARCH, 2015 |
| 3.     | TYPE OF AUDIT OBSERVATION                     | UNQUALIFIED                  |
| 4.     | FREQUENCY OF OBSERVATIONS                     | NOT APPLICABLE               |
| 5.     | TO BE SIGNED BY                               |                              |
|        | CEO/ MANAGING DIRECTOR                        |                              |
|        | DIRECTOR                                      | <i>Buonle Devi</i>           |
|        | AUDITOR OF THE COMPANY                        |                              |
|        | AUDIT COMMITTEE CHAIRMAN                      |                              |



*The World of Water Soluble Polymers*

No Question about quality...

27<sup>th</sup>  
ANNUAL  
REPORT  
2014-15

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*

#### **COMPANY SECRETARY & HEAD COMPLIANCE**

Mr. Ravinder Kumar Gupta

#### **AUDIT COMMITTEE**

Mr. Ram Awtar Mittal  
*Chairman*

Mr. Neeraj Chhabra

Mrs. Kamini Jindal

#### **STAKEHOLDER RELATIONSHIP COMMITTEE**

Mr. Neeraj Chhabra

*Chairman*

Mr. B.D. Aggarwal

Mr. R A Mittal

#### **NOMINATION AND REMUNERATION COMMITTEE**

Mr. B.D. Aggarwal

*Chairman*

Mr. Neeraj Chhabra

Mr. R A Mittal

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

B D Agarwal

Bimla Devi Jindal

Neeraj Chhabra

#### **RISK MANAGEMENT COMMITTEE**

B D Agarwal

Bimla Devi Jindal

KaminiJindal

#### **AUDITORS**

Arun K Agarwal & Associates

New Delhi

#### **SECRETARIAL AUDITOR**

NKS & Company, Gaziabad

#### **INTERNAL AUDITOR**

Sanjay Goyal & Associates

#### **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.vikaswspltd.in](http://www.vikaswspltd.in)**

## **C O N T E N T S**

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#### **ANNUAL GENERAL MEETING**

On Wednesday, September 30, 2015 at 11:00 a.m.

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



## NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the Members of Vikas WSP Limited will be held on Wednesday, 30th day of September, 2015 at 11 AM at Railway Road, Siwani, Haryana-127046 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint Kamini Jindal a Director in place of who retires by rotation and being eligible offers himself for reappointment.
3. To Consider and approve appointment of auditor and fixing of the remuneration thereto.

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

**“Resolved that** pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), the consent of the shareholders be and is hereby accorded to appoint S. Prakash Aggarwal & Co., as Statutory Auditors of the Company for 5 consecutive year i.e. till the Annual General Meeting to be held in 2020 on such remuneration as may be fixed by the Board of Directors in consultation with them.

### SPECIAL BUSINESS:

#### Item No. 4: Approval for related party transaction.

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

**“RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Listing Agreement executed with the Stock Exchanges (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded to the proposed transaction between the Company and

1. M/s Vikas Granaries Limited (a related party)
2. Vegan Colloids Limited (a related party)
3. Vikas Chemi Gums India Limited (a related party)

for Sale and Purchase of goods in its absolute discretion on the terms as agreed / may be agreed between Board of Directors and above mentioned related parties and as briefly mentioned in the explanatory statement to this resolution.

**RESOLVED FURTHER THAT** Bajrang Dass Jindal, Managing Director and Bimla Devi Jindal, Director of the Company be

and are hereby individually authorised to sign any document or agreement for above proposed transaction on behalf of the Company and take necessary steps and to do all acts, deeds and things as may be necessary and incidental to give effect to this resolution.”

#### Item No. 5: ADOPTION OF NEW ARTICLES OF ASSOCIATION

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:-  
**“RESOLVED THAT** pursuant to the provisions of Section 14 of the Companies Act, 2013 and other applicable provisions or Rules if any, the new set of Articles of Association as placed before the meeting and initialed by the Chairman for the purpose of identification be and is hereby approved and adopted as new Articles of Association (as prescribed under the Table-F of the Companies Act, 2013) of the Company in the place of and exclusion of the existing Articles of Association.

**RESOLVED FURTHER THAT** Bajrang Dass Jindal, Managing Director and Bimla Devi Jindal, Director of the Company be and is hereby authorised to do all such acts, deeds and things as may be required in order to give effect to above adoption of new Articles of Association on behalf of the Company.

#### Item No. 6: To adopt new set of Memorandum of Association of the company containing regulations in conformity with the companies act, 2013

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

**“RESOLVED THAT** pursuant to the provisions of Section 13 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the amended set of Memorandum of Association submitted to this meeting be and are hereby approved.

**RESOLVED FURTHER THAT** Sh. B D Agarwal Managing Director and Smt. Bimla Devi Director of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to these resolutions.”

#### Item No. 7 APPOINTMENT OF MANAGING DIRECTOR

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company, the consent of the shareholders of the Company be and is hereby accorded to re-appoint Mr. B D Agarwal Din 00036553 as Managing Director of the Company for a period of five years with effect from September 30, 2015.

**FURTHER RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, approval of the Company be and is hereby accorded to pay a remuneration of ` 36,00,000/- (Rupees Thirty Six Lacs only) per annum to Mr. B D Agarwal, Managing Director of the Company, the details of which are given in the Explanatory Statement annexed hereto. **FURTHER RESOLVED THAT** the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/ consent from the government departments, as may be required in this regard.

By Order of the Board of Director  
For VIKAS WSP LIMITED

Sd/-

Date : 14.08.2015  
Place : Sri Ganganagar

(B. D. Agarwal)  
Chairman and  
Managing Director

**NOTES:**

1. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. A statement giving the relevant details of the Directors seeking re-appointment under Item Nos. 2 of the accompanying Notice, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges is annexed herewith.
3. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
4. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.

5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
8. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
9. The amount of dividend remaining unpaid for the year 2007-08 (First & Second interim) have been transferred to the company's unpaid dividend account, and can be claimed from the company by the members entitled to it for a period of seven years from the respective dates of such transfer after which it shall be transferred to the Investor Education and Protection Fund (IEPF) constituted.

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      | 2008-09 | 16.09.2009  | 21,27,313              |
| 2      | 2009-10 | 16.09.2010  | 19,28,602              |
| 3      | 2010-11 | 16.09.2011  | 11,16,145              |
| 4      | 2011-12 | 17.09.2012  | 26,07,200              |

10. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting. The members are requested to get their shares dematerialized. The company's ISIN Code INE706A01022.

11. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the following:

a) **ravindergupta@vikaswsp Ltd.in**

The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

12. (a) In accordance with the provision of section 108 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the shareholders may exercise their option to participate through electronic voting system and the company is providing the facility for voting by electronic means (e-voting) to all its members. The company has engaged the services of Central Depository Services Limited (CDSL) to provide e-voting facilities and enabling the members to cast their vote in a secured manner. It may be noted that this e-voting facility is optional. This facility will be available at the link [www.evoting.nsdl.com](http://www.evoting.nsdl.com) during the following voting period:

|                          |                            |
|--------------------------|----------------------------|
| Commencement of e-voting | : From 10 AM on 27.09.2015 |
| End of e-voting          | : Up to 5 PM on 29.09.2015 |

- (b) The company has engaged the services of CDSL as the Authorized Agency to provide e-voting facilities.
- (c) The company has appointed N K S & COMPANY, Practicing Company Secretary as 'scrutinizer' for conducting and scrutinizing the e-voting process in a fair and transparent manner.
- (d) The login ID and password for e-voting are being sent to the members, who have not registered their e-mail IDs with the company, along with physical copy of the notice. Those members who have registered their e-mail IDs with the company / their respective Depository Participants are being forwarded the login ID and password for e-voting by e-mail.
- (e) "Voting by electronic means" or "electronic voting

system" means a 'secured system' based process of display of electronic ballots, recording of votes of the members and the number of votes polled in favour or against, such that the entire voting exercise by way of electronic means gets registered and counted in an electronic registry in the centralized server with adequate 'cyber security'.

It also helps the shareholders to cast their vote from anywhere and at any time during E-voting period.

**The instructions for shareholders voting electronically are as under:**

The voting period begins on 27th September, 2015 at 10:00am and ends on 29th September, 2015 at 5:00pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

|     |   |
|-----|---|
|     | For Members holding shares in Demat Form and Physical Form  |
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  |
|     | <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul> |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.   |

|                       |  |
|-----------------------|--|
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.   |
|                       | <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul> |

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are

required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item Nos. 3, 4, 5, 6 and 7 of the accompanying Notice

#### ITEM NO. 3

M/s. Arun K Agarwal & Associates, Chartered Accountants, New Delhi have tendered their resignation from the position of Statutory Auditors due to unavoidable circumstances, resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged by section 139(8) of the Companies Act, 2013 ("Act"). Casual vacancy caused by the resignation of auditors can only be filled up by the Company in general meeting. The Board proposes that S. Prakash Aggarwal & Co., be appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Arun K Agarwal & Associates, Chartered Accountants. S. Prakash Aggarwal & Co. has conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, would be within the limits prescribed under the Companies Act, 2013.



Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members. None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution

#### ITEM NO. 4

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain prior approval of the Board of Directors and in case the transaction value exceeds the limit specifies in the act, prior approval of the shareholders by way of a Special Resolution must be obtained:

1. Sale, purchase or supply of any goods or materials;
2. Selling or otherwise disposing of, or buying, property of any kind;
3. Leasing of property of any kind;
4. Availing or rendering of any services;
5. Appointment of any agent for purchases or sale of goods, materials, services or property;
6. Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company and
7. Underwriting the subscription of any securities or derivatives thereof, of the Company.

In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013)

#### ITEM NO.5, 6 ADOPTION OF NEW ARTICLE OF ASSOCIATION AND MEMORANDUM OF ASSOCIATION.

The existing AoA/MoA are based on the Companies Act, 1956 and several regulations in the existing AoA/ MoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA/MoA are no longer in conformity with the New Companies Act, 2013. Hence, it is considered expedient to wholly replace the existing AoA by a new set of Articles and amend MoA to some extent which shall be in conformity with the new companies Act, 2013. The proposed new draft AoA/MoA are being uploaded on the Company's website for perusal by the shareholders. The draft AOA/ MOA shall be available for inspection during the meeting and can be inspected by members during the business hours at the registered office of the company. None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5 & 6 of the Notice. The Board recommends the Special Resolution set out at Item No.5 & 6 of the Notice for approval by the shareholders.

#### Item No. 7 APPOINTMENT OF MANAGING DIRECTOR

Sh B D Agarwal is the promoter Director of the Company. He has been serving as a Chairman & Managing Director to the Company since its incorporation. Now pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, company wants to appoint Sh. B D Agarwal as Managing Director of the Company for 5 years i.e. for 2020.

As a Promoter and Managing Director, Sh. B D Agarwal has a vast knowledge and experience in the field of Guar Gum industry. The teams and remuneration of the managing Director will be as per the policy laid down by Nomination and Remuneration Committee i.e. Nomination and Remuneration Policy.

The remuneration will be in terms of provisions of company act, 2013 and other applicable provisions in this regards.

#### Additional Information

1. **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.

2. **profile of Mr. B.D. Agarwal:** - Mr. B.D. Agarwal, Director of the company who retires by rotation and being eligible, offers herself for reappointment.

Mr. B.D. Agarwal 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.

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

Date : 14.08.2015  
Place : Sri Ganganagar

(B. D. Agarwal)  
Managing Director



## DIRECTORS REPORT

To The Members,

Your Directors have pleasure in presenting their 27th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

### FINANCIAL HIGHLIGHTS

| Particulars                                       | Year ended<br>31.03.2015 | Year ended<br>31.03.2014 |
|---|--------------------------|--------------------------|
| Revenue from operations                           | 78611.27                 | 103651.29                |
| Other Income                                      | 585.26                   | 536.31                   |
| Total Expenditure                                 | 80507.06                 | 95905.58                 |
| Finance cost                                      | 3182.48                  | 3204.83                  |
| Profit after finance cost but before depreciation | (4493.01)                | 5077.19                  |
| Depreciation and amortization expenses            | 3465.53                  | 4583.29                  |
| Profit before tax                                 | (7958.64)                | 493.9                    |
| Exceptional Items                                 | 8946.08                  | -                        |
| Profit after Exceptional Items                    | 987.54                   | 493.9                    |
| Tax expenses                                      | 332.96                   | 190.58                   |
| Profit for the year                               | 654.85                   | 303.32                   |

### STATE OF COMPANY AFFAIRS

The highlights of affairs of the Company are as follows:-

- Revenue from operations decreased by 78611.27 lacs to 103651.29 lacs.
- PBDIT decreased (4493.01) lacs to 5077.19 lacs.
- Profit before Tax Decreased (7958.64) lacs to 493.9 lacs.
- Net Profit increased 654.85 lacs to 303.32 lacs.
- The Company earned profit of Rs. 8946.08 lacs from exceptional items.

The Company has increased its Net Profit in the year 2014-15 as compare to the last year 2013-14.

### DIVIDEND

The profit of the Company is being used in further expansion of the Company, so the Board of Directors has not recommended any dividend for the year 2014-15.

### TRANSFER TO RESERVES

No amount was transferred to reserve in the year 2014-15.

### BOARD MEETINGS

The Board of Directors of the Company came under the same roof for Fifteen times in the year 2014-15 on 29.05.2014,

20.06.2014, 25.06.2014, 29.07.2014, 14.08.2014, 02.09.2014, 04.09.2014, 21.10.2014, 03.11.2015, 15.11.2014, 24.11.2014, 05.12.2015, 01.01.2015, 14.02.2015, 29.03.2015.

### FUTURE PROSPECTS

Guar Gums main demand is increasing in the food and oil and gas segment. 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.

### DIRECTOR RESPONSIBILITY STATEMENT

Your directors state that the audited accounts containing financial statement for 2014-15 are in full conformity with the requirements of the Companies Act and are audited by its statutory auditors. Your directors further state that: -

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

and that such systems were adequate and operating effectively.

### STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTOR U/S 149 (6)

The Board of Company consists of three independent Directors namely

- Sh. Neeraj Chhabra
- Sh. R A Mittal
- Sh. Vishnu Bhagwan
- Sh. Kishan Lal

The above four Directors of the company gave statement pursuant to section 149 (7) u/s 149 (6) of Company Act, 2013 at the Board Meeting held on 29.05.2014 for the year 2014-15. The same was considered and approved by the Board. Statements has been attached as Page 10 Annexure -I in the report

### POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATION, POSITIVE ATTRIBUTES, INDEPENDENCE

The Company is a Listed Company so, it comes under the requirement of formation of Nomination and Remuneration Committee under Company Act, 2013 and Company (Meeting of Board and its Power) Rules, 2014. The Company formed the committee on 01.01.2015. The Nomination and Remuneration policy of the Company is attached in Page 14 Annexure II to the Report.

### LONE AN INVESTMENT MADE BY COMPANY UNDER SECTION 186

The Company has not made any loan and investment under section 186 of Company Act, 2013 and Rules made thereunder in this regard.

### EXTRACT OF ANNUAL RETURN

The extract of Annual return is attached as Page 17 Annexure - III in the Report.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo is given in Page 24 Annexure IV to this report.

### DEPOSITS

The Company has not accepted any deposits under chapter V of Company Act, 2013 during the year 2014-15.

#### **CHANGE IN THE NATURE OF BUSINESS**

No change occurred during the previous year 2014-15 in the nature of the business of the company.

#### **DETAILS OF APPOINTMENT AND RESIGNATION DURING THE YEAR 2014-15**

Mrs. Bimla Devi Jindal who retires by rotation and presented herself for reappointment was reappointed as director in the Annual General Meeting held on 30.09.2014.

Mr. R A Mittal was appointed as a independent director of the company for 5 consecutive years in the Annual General Meeting held on 30.09.2014.

Mr. Neeraj Chhabra was appointed as a independent director of the company for 5 consecutive years in the Annual General Meeting held on 30.09.2014.

Mr. Kishan Lal was appointed as a independent director of the company for 5 consecutive years in the Annual General Meeting held on 30.09.2014.

Mr. Vishnu Bhagwan was appointed as a independent director of the company for 5 consecutive years in the Annual General Meeting held on 30.09.2014.

#### **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Your Company had two dividends lying unpaid or unclaimed for a period of seven years i.e. first & Second interim dividends for the year 2007-08. Therefore above fund required to be transferred to Investor Education and Protection Fund (IEPF). The Company transferred the above dividend in IEPF during the previous financial year 2014-15.

Pursuant to the provisions of the Investor Education Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. 30.09.2014), with the Ministry of Corporate Affairs.

#### **INTERNAL AUDIT & FINANCIAL CONTROL**

The company has appointed M/s Sanjay Goyal & Associates as an internal auditor of the company. They conduct audit on quarterly basis. The Board of Director considers its recommendations and plan company's further strategies accordingly. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the

process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

#### **PARTICULARS OF EMPLOYEES**

Pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, statement of particulars of employees is annexed as Annexure V Page 25.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The Company under section 135 of company act, 2013 has formed a Corporate Social Responsibility Committee. The Company believes in following this provision not in law but in spirit too. The details of the policy are available in Page 26 Annexure VI to the Report.

#### **PERFORMANCE EVALUATION OF BOARD, COMMITTEES & INDIVIDUAL DIRECTORS**

A formal evaluation of the performance of the Board, its Committees, the Chairman and the individual Directors was carried out for the year 2014-15. Led by the Nomination & Remuneration Committee, the evaluation was done using individual questionnaires covering amongst others vision, strategy & role clarity of the Board, Board dynamics & processes, contribution towards development of the strategy, risk management, budgetary controls, receipt of regular inputs and information, functioning, performance & structure of Board Committees, ethics & values, skill set, knowledge & expertise of Directors, leadership etc.

As part of the evaluation process, the performance of non-independent Directors, the Chairman and the Board was done by the independent Directors. The performance evaluation of the respective Committees and that of independent and non-independent Directors was done by the Board excluding the Director being evaluated. The Directors expressed satisfaction with the evaluation process.

#### **INDEPENDENT DIRECTOR FAMILIARISATION PROGRAMME**

The Company has arranged a familiarization program for Independent Directors of the Company and details has been provided on company website on the following link:-

<http://www.vikaswsp ltd.in/familirasion-programme-WSP.docx>

#### **VIGIL MECHANISM**

The Vigil mechanism under section 177 of Company Act, 2013 and clause 49 of listed agreement has been laid down by the company. The same is provided on the website of the company [www.vikaswsp ltd.in](http://www.vikaswsp ltd.in).

The mechanism deals with the reporting of any unfair and malaise practice in the company. The policy is also providing safe guard to the persons who are taking initiatives against the practice of unfair mean of business.

#### **RELATED PARTY TRANSACTIONS**

During the year under review, the Board has adopted a policy to regulate the transactions of the Company with its related parties. As per policy, all related party transactions require prior approval of the Audit Committee and Board of Directors of the Company. Prior approval of the shareholders of the Company is also required for certain related party transactions as prescribed under Companies Act, 2013 and listing agreement. The said policy is available on the Company's website viz. [www.vikaswsp ltd.in](http://www.vikaswsp ltd.in).

The details of all related party transaction are provided in the Page 27 Annexure VII attached to the report.

#### **MATERIAL CHANGES & COMMITMENTS**

No material changes and commitments, affecting the financial position of the Company have occurred after the end of the financial year 2014-15 and till the date of this report.

#### **MATERIAL AND SIGNIFICANT ORDERS PASSED BY REGULATORS & COURTS**

No significant and material orders have been passed by any regulators or courts or tribunals against the Company impacting the going concern status and Company's operations in future.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

The management discussion and analysis report on the operations of the Company as required under the listing agreement with stock exchanges has been given separately and forms part of this report on page 39.

#### **RISK MANAGEMENT POLICY**

The Company has laid down a procedure named Risk Management Policy for identification of risk involved in the business activities. The risks are involved in our industry are 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.

#### **AUDIT COMMITTEE**

The Company has an adequately qualified Audit Committee constituted in accordance with the provisions of Companies Act, 2013 and clause 49 of the listing agreement. As on 31 March, 2015, the Committee comprised

All members of the Committee are financially literate and have accounting or related financial management expertise.

#### **AUDITORS:**

The Auditors, M/s Arun Agarwal & Associates, Chartered Accountants New Delhi was appointed Statuary Auditor for a period of 5 years from the conclusion of Annual General Meeting held on 30.09.2014 till the conclusion of AGM to be held in the year 2019. Subject to ratification in each Annual General Meeting till 2019, but now they resigned from the post of Statuary Auditor of the Company. So the Board proposed to appoint S. Prakash Aggarwal & Co. as Statuary Auditor from the conclusion of Annual General Meeting to be held on 30.09.2015 till the conclusion of AGM to be held in the year 2020. Subject to ratification in each Annual General Meeting till 2020.

#### **AUDITORS' REPORT**

The Auditor's Report contain qualification regarding non Compliance of section 203 of Company Act, 2013 i.e. appointment of Chief Financial Officer.

The Board of Directors is looking for the person appropriate and suitable for the abovesaid post. As soon as the company finds a person with required expertise, who can hold this position, the position of Chief Financial officer will be filled.

#### **SECRETARIAL AUDIT REPORT**

In terms of Section 204 of the Act and Rules made there under, M/s. NKS & Company Practicing Company Secretary have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as Page Annexure VIII to this report.

The Report contain qualification regarding non Compliance of section 203 of Company Act, 2013 i.e. appointment of Chief Financial Officer.

The Board of Directors is looking for the person appropriate and suitable for the abovesaid post. As soon as the company finds a person with required expertise, who can hold this position, the position of Chief Financial officer will be filled.



**CORPORATE GOVERNANCE:**

We believe Corporate Governance is at the heart of Shareholder Value Creation. As per clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Corporate Governance together with a certificate from a Practicing Company Secretary confirming compliance thereto is set as Page 30 Annexure in this report.

Your management has taken appropriate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under the amended listing Agreement with the Stock Exchanges is complied with.

**CORPORATE GOVERNANCE CERTIFICATE**

The Compliance certificate from the auditors or practicing company secretaries regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement shall be annexed with the report on page 38.

**RELATION BETWEEN DIRECTORS**

Pursuant to clause 49 E (2) the Directors of the company are in relation with each other as follows:-

| Sr. No | Name of Direction   | Related Director    | Relation |
|--------|---------------------|---------------------|----------|
| 1      | Bajrang Dass Jindal | Bimla Devi Jindal   | Wife     |
| 2      | Bajrang Dass Jindal | Kamini Jindal       | Daughter |
| 3      | Bimla Devi Jindal   | Bajrang Dass Jindal | Husband  |
| 4      | Bimla Devi Jindal   | Kamini Jindal       | Daughter |
| 5      | Kamini Jindal       | Bimla Devi Jindal   | Mother   |
| 6      | Kamini Jindal       | Bajrand Dass Jindal | Father   |

**LISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to BSE where the Company's Shares are listed.

**Acknowledgements**

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

By Order of the Board of Director  
For VIKAS WSP LIMITED

Sd/-

Date : 14.08.2015 (B. D. Agarwal)

Place : Sri Ganganagar Chairman & Managing Director

**DECLARATION OF INDEPENDENCE**

29 May, 2014

To  
The Board of Directors  
Vikas WSP Limited  
Siwani.

**Sub: Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.**

I, Mr. R A Mittal , hereby certify that I am a Non-executive Independent Director of Vikas WSP Limited, Place and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
- none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
- holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
- is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
- a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

- any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
- holds together with my relatives 2% or more of the total voting power of the company; or
- is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

#### Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

Sd/-

**R A Mittal**

DIN: 02303734

H. No.- 9, Sec-6

Bahadurgarh-124507

29 May, 2014

To

The Board of Directors

Vikas WSP Limited

Siwani.

**Sub: Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.**

I, Mr. Neeraj Chhabra , hereby certify that I am a Non-executive Independent Director of Vikas WSP Limited, Place and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/ was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
- none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
- holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
- is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
- a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company;
- any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
- holds together with my relatives 2% or more of the total voting power of the company; or
- is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

## Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

Sd/-

**Neeraj Chhabra**

DIN: 06467189

RCP Tal Colony Q. No.- 34

Suratgarh, Sri Ganaganagar

29 May, 2014

To

The Board of Directors

Vikas WSP Limited

Siwani.

### **Sub: Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.**

I, Mr. Vishnu Bhagwan , hereby certify that I am a Non-executive Independent Director of Vikas WSP Limited, Place and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/ was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during

the current financial;

- none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
- holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
- is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
- a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
- any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
- holds together with my relatives 2% or more of the total voting power of the company; or
- is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

## Declaration

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

Sd/-

Vishnu Bhagwan  
DIN: 00605506  
B-39 Madhuban Colony  
New Delhi.

29 May, 2014

To  
The Board of Directors  
Vikas WSP Limited  
Siwani.

**Sub: Declaration of independence under clause 49 of the Listing Agreement and sub-section (6) of section 149 of the Companies Act, 2013.**

I, Mr. Kishan Lal, hereby certify that I am a Non-executive Independent Director of Vikas WSP Limited, Place and comply with all the criteria of independent director as envisaged in Clause 49 of the Listing Agreement and the Companies Act, 2013.

I certify that:

- I possess relevant expertise and experience to be an independent director in the Company;
- I am/was not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
- Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial;
- none of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither me nor any of my relatives:
- holds or has held the position of a key managerial personnel or is or has been employee/executive of

the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;

- is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
- a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
- any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
- holds together with my relatives 2% or more of the total voting power of the company; or
- is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- I am not a material supplier, service provider or customer or a lessor or lessee of the company;
- I am not less than 21 years of age.

**Declaration**

I undertake that I shall seek prior approval of the Board if and when I have any such relationship / transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information's are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

Thanking you,

Yours faithfully,

Sd/-

Kishan Lal  
DIN: 01878703  
A-3, jamna Lal Bajaj Marg  
c-scheme, Jaipur.



## NOMINATION AND REMUNERATION POLICY

### PURPOSE

The Company has formed Nomination and Remuneration Policy u/s 178 (1) of Company Act, 2013 and under clause 49 (IV) of Listing Agreement. This policy has been formulated for determining the qualification, Positive attributes of Executive Directors, Non Executive Directors, Independent Director and Key Managerial Persons of the company.

### DEFINATIONS

“ACT” the act shall mean Company Act, 2013.

“COMMITTEE” the committee shall mean Nomination and Remuneration Committee under section 178 (1) of Company Act, 2013 and clause 49 (IV) of Listing agreement.

“BOARD” the Board shall mean Board Of Directors of Vikas WSP Limited.

“COMPANY” means the Company Vikas WSP Limited

“KEY MANAGERIAL PERSONNEL” means

Chief Executive Officer or the Managing Director or the Manager;

Whole-time director;

Chief Financial Officer;

Company Secretary; and

Such other officer as may be prescribed

“SENIOR MANAGEMENT” means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

### NOMINATION AND REMUNERATION COMMITTEE

The Company has formed a committee under section 178 (1) of Company Act, 2013 and clause 49 of Listing agreement. The Committee consists of three members namely:

Neeraj Chhabra                      Chairman

Ravi Sharma                              Member

Deepika Aggarwal                      Member

All the Directors are independent Directors within the meaning of Company Act, 2013 and listing agreement thereto.

### ROLE OF THE COMMITTEE

The Committee has been formulated to perform the following works: -

1. The Nomination and Remuneration Committee shall identify persons who are qualified to become directors

and who may be appointed in senior management in accordance with the criteria laid down in Company Act, 2013 and rules made thereunder and all other provisions applicable, if any, recommend to the Board their appointment and removal. It shall carry out evaluation of every director’s performance.

2. The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.\
3. To carry out evaluation of every Director’s performance.
4. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
5. To perform such other functions as may be necessary or appropriate for the performance of its duties.

### CRITERIA FOR APPOINTMENT OF DIRECTOR

Any person who wishes to appoint as a Director of the Company needs to fulfill the following criteria: -

1. His appointment must not be in Contravention of any provision of Company Act, 2013 and rules made thereunder and all the applicable laws, if any.
2. The appointment shall be subject to applicable clause of Listing Agreement.
3. The person who wishes to be appointed as a Director must have relevant experience in the industry similar to the business of the Company or hold relevant qualification in this regard. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
4. The Director will be eligible for appointment only if he has attained the age of twenty one years.

### INDEPENDENT DIRECTOR

The Independent Director must fulfill the following criteria:-

1. His appointment must not be in Contravention of section 149 of Company Act, 2013 and rules made thereunder and all the applicable laws, if any.
2. The appointment shall be subject to applicable clause of Listing Agreement.
3. He shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, or other disciplines related to the Company’s business,

## TERM/TENURE

1. Managing Director/Whole-time Director: The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term
2. Independent Director: -
  - (a) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
  - (b) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
  - (c) At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

## REMOVAL

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

## RETIREMENT

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

Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

## General:

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

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

- a) **Fixed pay:** The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- b) **Minimum Remuneration:** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- c) **Provisions for excess remuneration:** If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she

shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

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

**a) Remuneration / Commission:**

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

**b) Sitting Fees:**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**c) Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

**d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration if the following conditions are satisfied:**

i) The Services are rendered by such Director in his capacity as the professional; and

ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

**IMPLEMENTATION**

(a) The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

(b) The Committee may Delegate any of its powers to one or more of its members.

## Annexure III

**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2014

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

|  |   |
|--|---|
| i) CIN:-   | L24139HR1988PLC030300   |
| ii) Registration Date  | 22.06.1988  |
| iii) Name of the Company   | VIKAS WSP LIMITED   |
| iv) Category / Sub-Category of the Company                                     | COMPANY LIMITED BY SHARES   |
| v) Address of the Registered office and contact details                        | RAILWAY ROAD, SIWANI, HARYANA -127046   |
| vi) Whether listed company Yes / No  | YES   |
| vii) Name, Address and Contact details of Registrar and Transfer Agent, if any | LINK INTIME (I) PVT. LIMITED<br>ADDRESS:-44, NARAINA COMMUNITY CENTRE,<br>PHASE-I, PVR CINEMA, NARAINA, NEW DELHI<br>TEL. NO. 01141410592 |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1       | GUAR & POLYMERS                                  | 13023230, 13023220               | 100%                               |
| 2       |  |                                  |                                    |
| 3       |  |                                  |                                    |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

| S. NO | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % of shares held | Applicable Section |
|-------|---------------------------------|---------|--------------------------------|------------------|--------------------|
| 1     |                                 |         |                                |                  |                    |
| 2     |                                 |         |                                |                  |                    |

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

| Category of Shareholders                    | No. of Shares held at the beginning of the year |          |          |                   | No. of Shares held at the end of the year |          |          |                   | % Change during the year |          |
|---|---|----------|----------|-------------------|---|----------|----------|-------------------|--------------------------|----------|
|   | Demat   | Physical | Total    | % of Total Shares | Demat                                     | Physical | Total    | % of Total Shares | No. of Shares            | % change |
| <b>A. Promoter s</b>                        |   |          |          |                   |   |          |          |                   |                          |          |
| <b>(1) Indian</b>                           |   |          |          |                   |   |          |          |                   |                          |          |
| (a) Individuals/ Hindu Undivided Family     | 34214781  | 0        | 34214781 | 24.89             | 34214781                                  | 0        | 34214781 | 24.89             | 0                        | 0.00     |
| (b) Central Government/ State Government(s) |   | 0        |          | 0.00              |   | 0        |          | 0.00              | 0                        | 0.00     |
| (c) Bodies Corporate                        |   | 0        |          | 0.00              |   | 0        |          | 0.00              | 0                        | 0.00     |
| (d) Financial Institutions/ Banks           |   | 0        |          | 0.00              |   | 0        |          | 0.00              | 0                        | 0.00     |
| (e) Any Others(Specify)                     |   | 0        |          | 0.00              |   | 0        |          | 0.00              | 0                        | 0.00     |



|  |                  |                |                  |               |                  |                |                  |               |                |               |
|--|------------------|----------------|------------------|---------------|------------------|----------------|------------------|---------------|----------------|---------------|
| <b>Sub-total (A) (1):-</b>   | <b>34214781</b>  | <b>0</b>       | <b>34214781</b>  | <b>24.89</b>  | <b>34214781</b>  | <b>0</b>       | <b>34214781</b>  | <b>24.89</b>  | <b>0</b>       | <b>0.00</b>   |
| <b>(2) Foreign</b>   |                  |                |                  |               |                  |                |                  |               |                |               |
| (a) Individuals (Non-Residents Individuals/  |                  | 0              |                  | 0.00          |                  | 0              |                  | 0.00          | 0              | 0.00          |
| (b) Foreign Individuals)   |                  | 0              |                  | 0.00          |                  | 0              |                  | 0.00          | 0              | 0.00          |
| (c) Bodies Corporate   |                  | 0              |                  | 0.00          |                  | 0              |                  | 0.00          | 0              | 0.00          |
| (d) Institutions   |                  | 0              |                  | 0.00          |                  | 0              |                  | 0.00          | 0              | 0.00          |
| (e) Qualified Foreign Investor   |                  | 0              |                  | 0.00          |                  | 0              |                  | 0.00          | 0              | 0.00          |
| <b>Any Others(Specify)</b>   | <b>0.00</b>      | <b>0.00</b>    | <b>0.00</b>      | <b>0.00</b>   | <b>0.00</b>      | <b>0.00</b>    | <b>0.00</b>      | <b>0.00</b>   | <b>0.00</b>    | <b>0.00</b>   |
| <b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A) (2)</b>       | <b>34214781</b>  | <b>0</b>       | <b>34214781</b>  | <b>24.89</b>  | <b>34214781</b>  | <b>0</b>       | <b>34214781</b>  | <b>24.89</b>  | <b>0</b>       | <b>0.00</b>   |
| <b>B. Public Shareholding</b>  |                  |                |                  |               |                  |                |                  |               |                |               |
| <b>1. Institutions</b>   |                  |                |                  |               |                  |                |                  |               |                |               |
| (a) Mutual Funds/ UTI  |                  | 10000          | 10000            | 0.01          |                  | 10000          | 10000            | 0.01          | 0              | 0.00          |
| (b) Financial Institutions / Banks   | 827341           | 0              | 827341           | 0.60          | 825341           | 0              | 825341           | 0.60          | -2000          | 0.00          |
| (c) Central Government/ State Government(s)  |                  | 0              |                  | 0.00          |                  | 0              |                  | 0.00          | 0              | 0.00          |
| (d) Venture Capital Funds  |                  | 0              |                  | 0.00          |                  | 0              |                  | 0.00          | 0              | 0.00          |
| (e) Insurance Companies  |                  | 0              |                  | 0.00          |                  | 0              |                  | 0.00          | 0              | 0.00          |
| (f) Foreign Institutional Investors  | 231202           | 0              | 231202           | 0.17          | 10413            | 0              | 10413            | 0.01          | -220789        | -0.16         |
| (g) Foreign Venture Capital Investors  |                  | 0              |                  | 0.00          |                  | 0              |                  | 0.00          | 0              | 0.00          |
| (h) Any Other (specify)  |                  | 0              |                  |               |                  | 0              |                  | -             | 0              | 0.00          |
| <b>Sub-total (B)(1):-</b>  | <b>1058543</b>   | <b>10000</b>   | <b>1068543</b>   | <b>0.78</b>   | <b>835754</b>    | <b>10000</b>   | <b>845754</b>    |               | <b>-222789</b> | <b>-0.78</b>  |
| <b>2. Non- Institutions</b>  |                  |                |                  |               |                  |                |                  |               |                |               |
| a) Bodies Corps  |                  |                |                  |               |                  |                |                  |               |                |               |
| Indian Bodies Corporate  | 28403813         | 105000         | 28508813         | 20.74         | 22404945         | 105000         | 22509945         | 16.38         | -5998868       | -4.36         |
| Overseas Corporate Bodies  | 57000            | 0              | 57000            | 0.04          | 57000            | 0              | 57000            | 0.04          | 0              | 0.00          |
| b) Individuals   |                  |                |                  |               |                  |                |                  |               |                |               |
| i) Individual shareholders holding nominal share capital up to Rs 1 lakh           | 53589358         | 2355883        | 55945241         | 40.71         | 56517829         | 2306232        | 58824061         | 42.80         | 2878820        | 2.09          |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh. | 12048655         | 0              | 12048655         | 8.77          | 14845370         | 0              | 14845370         | 10.80         | 2796715        | 2.03          |
| c) Any Others (specify)  | 5577967          | 18600          | 5596567          | 4.07          | 6124089          | 18600          | 6142689          | 4.28          | 546122         | 0.21          |
| <b>Sub-total (B)(2):-</b>  | <b>105254760</b> | <b>2498083</b> | <b>107752843</b> | <b>74.33</b>  | <b>106073322</b> | <b>2448432</b> | <b>108521754</b> | <b>75.58</b>  | <b>768911</b>  | <b>-74.33</b> |
| <b>Total Public Shareholding (B)=(B) (1)+(B)(2)</b>                                | <b>106313303</b> | <b>2508083</b> | <b>108821386</b> | <b>75.11</b>  | <b>106909076</b> | <b>2458432</b> | <b>109367508</b> | <b>76.17</b>  | <b>546122</b>  | <b>-75.06</b> |
| <b>Grand Total (A+B)</b>   | <b>140528084</b> | <b>2508083</b> | <b>143036167</b> | <b>100.00</b> | <b>141123857</b> | <b>2458432</b> | <b>143582289</b> | <b>100.00</b> | <b>546122</b>  | <b>-97.18</b> |

**B) Shareholding of Promoters**

| Sl N o. | Shareholder's Name    | Shareholding at the beginning of the year |                                   |  | Share holding at the end of the year |                                   |  | % change in share holding during the year |
|---------|-----------------------|---|-----------------------------------|--|--------------------------------------|-----------------------------------|--|---|
|         |                       | No. of Shares                             | % of total Shares of the compa ny | %of Shares Pledged / encumbe red to total shares | No. of Shares                        | % of total Shares of the compa ny | %of Shares Pledged / encumbe red to total shares |   |
| 1       | Bajrang Dass Aggarwal | 23903432                                  | 17.39                             | 0  | 23903432                             | 17.39                             | 0  | 0   |
| 2       | Bimla Devi Jindal     | 4274832                                   | 3.11                              | 0  | 4274832                              | 3.11                              | 0  | 0   |
| 3       | Megh Raj              | 6036517                                   | 4.39                              | 0  | 6036517                              | 4.39                              | 0  | 0   |

**C) Change in Promoters' Shareholding ( please specify, if thereis no change)**

| Sl. No. |   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|---|---|----------------------------------|---|----------------------------------|
|         |   | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1       | At the beginning of the year  | 34214781                                  | 24.89                            | 34214781                                | 24.89                            |
| 2       | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | NIL                                       | NIL                              | NIL                                     | NIL                              |
| 3       | At the end of the year  | 34214781                                  | 24.89                            | 34214781                                | 24.89                            |

**D) Shareholding Pattern of top tenShareholders (other thanDirectors, Promoters and Holders of GDRs and ADRs):**

| Sl. No. | For Each of the Top 10 Shareholders   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|---|---|----------------------------------|---|----------------------------------|
|         |   | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1       | At the beginning of the year  |   |                                  |   |                                  |
| 2       | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): |   |                                  |   |                                  |
| 3       | At the end of the year  |   |                                  |   |                                  |

\*\* As Per the sheet attached

**(v) Shareholding of Directors and Key Managerial Personnel:**

| Sl. No. | For Each of the Directors and KMP  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--|---|----------------------------------|---|----------------------------------|
|         |  | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1       | At the beginning of the year   | 28315464                                  | 20.60%                           | 28315464                                | 20.60%                           |
| 2       | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease(e.g. allotment / transfer / bonus/ sweat equity etc): | NIL                                       | NIL                              | NIL                                     | NIL                              |
| 3       | At the End of the year   | 28315464                                  | 20.60%                           | 28315464                                | 20.60%                           |

## V. INDEBTEDNESS

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

|  | Secured Loans<br>excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                     |                 |          |                    |
| i) Principal Amount  | 2102612000                          | -               | -        | 2102612000         |
| ii) Interest due but not paid                              | -                                   | -               | -        | -                  |
| iii) Interest accrued but not due                          | -                                   | -               | -        | -                  |
| <b>Total (i+ii+iii)</b>                                    | <b>2102612000</b>                   | -               | -        | <b>2102612000</b>  |
| <b>Change in Indebtedness during the financial year</b>    |                                     |                 |          |                    |
| • Addition   | -                                   | -               | -        | -                  |
| • Reduction  | (238558000)                         | -               | -        | (238558000)        |
| Net Change   | (238558000)                         | -               | -        | (238558000)        |
| <b>Indebtedness at the end of the financial year</b>       |                                     |                 |          |                    |
| i) Principal Amount  | 1864054000                          | -               | -        | 1864054000         |
| ii) Interest due but not paid                              | -                                   | -               | -        | -                  |
| iii) Interest accrued but not due                          | -                                   | -               | -        | -                  |
| <b>Total (i+ii+iii)</b>                                    | <b>1864054000</b>                   | -               | -        | <b>1864054000</b>  |

## XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sl. no. | Particulars of Remuneration   | Name of MD/WTD/ Manager |                     |               | Total Amount |
|---------|---|-------------------------|---------------------|---------------|--------------|
|         |   | Bimla Devi Jindal       | Bajarag Dass Jindal | Kamini Jindal |              |
| 1       | Gross salary  |                         |                     |               |              |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 36,00,000               | 3,00,000            | 12,00,000     | 51,00,000    |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -                       | -                   | -             | -            |
|         | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961             | -                       | -                   | -             | -            |
| 2       | Stock Option  | -                       | -                   | -             | -            |
| 3       | Sweat Equity  | -                       | -                   | -             | -            |
| 4       | Commission  |                         |                     |               |              |
|         | - as % of profit  | -                       | -                   | -             | -            |
|         | - others, specify...  | -                       | -                   | -             | -            |
| 5       | Others, please specify  | -                       | -                   | -             | -            |
|         | Total (A)   | 36,00,000               | 3,00,000            | 12,00,000     | 51,00,000    |
|         | Ceiling as per the Act  |                         |                     |               |              |

### B. Remuneration to other directors

| Sl. no. | Particulars of Remuneration                  | Name of Directors |                |            |                | Total Amount |
|---------|--|-------------------|----------------|------------|----------------|--------------|
|         |  | Ram Awtar Mittal  | Vishnu Bhagwan | Kishan Lal | Neeraj Chhabra |              |
| 1       | Independent Directors                        |                   |                |            |                |              |
|         | • Fee for attending board committee meetings | 7,50,000          | 7,50,000       | 7,50,000   | 5,40,000       | 27,90,000    |
|         | • Commission                                 | -                 | -              | -          | -              | -            |
|         | • Others, please specify                     | -                 | -              | -          | -              | -            |
|         | Total (1)                                    | 7,50,000          | 7,50,000       | 7,50,000   | 5,40,000       | 27,90,000    |

|   |  |          |          |          |          |           |
|---|--|----------|----------|----------|----------|-----------|
| 2 | Other Non-Executive Directors                |          |          |          |          |           |
|   | • Fee for attending board committee meetings | NA       | NA       | NA       | NA       | NA        |
|   | • Commission                                 | NA       | NA       | NA       | NA       | NA        |
|   | • Others, please specify                     | NA       | NA       | NA       | NA       | NA        |
|   | Total (2)                                    | NA       | NA       | NA       | NA       | NA        |
|   | Total (B)=(1+2)                              | 7,50,000 | 7,50,000 | 7,50,000 | 5,40,000 | 27,90,000 |
|   | Total Managerial Remuneration                | 7,50,000 | 7,50,000 | 7,50,000 | 5,40,000 | 27,90,000 |
|   | Overall Ceiling as per the Act               |          |          |          |          |           |

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

| Sl. no. | Particulars of Remuneration   | Key Managerial Personnel |                   |           |                  |
|---------|---|--------------------------|-------------------|-----------|------------------|
|         |   | CEO                      | Company Secretary | CFO       | Total            |
| 1       | Gross salary  |                          |                   |           |                  |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | NA                       | 15,00,000         | NA        | 15,00,000        |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -                        | -                 | -         | -                |
|         | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | -                        | -                 | -         | -                |
| 2       | Stock Option  | -                        | -                 | -         | -                |
| 3       | Sweat Equity  | -                        | -                 | -         | -                |
| 4       | Commission  | -                        | -                 | -         | -                |
|         | - as % of profit  | -                        | -                 | -         | -                |
|         | - others, specify...  | -                        | -                 | -         | -                |
| 5       | Others, please specify  | -                        | -                 | -         | -                |
|         | <b>Total</b>  | <b>NA</b>                | <b>15,00,000</b>  | <b>NA</b> | <b>15,00,000</b> |

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

| TYPE                                | SECTION OF COMPANY ACT | BRIEF DISCRIPTION | DETAILS OF PENALTIES/ PUNISHMENT/ COUMPOUNDING FEES IMPOSED | AUTHORITY [ RD/ NCLT/ COURT] | APPEAL MADE (IF ANY) GIVE DETAILS |
|-------------------------------------|------------------------|-------------------|---|------------------------------|-----------------------------------|
| <b>A. COMPANY</b>                   |                        |                   |   |                              |                                   |
| Penalty                             | NA                     | NA                | NA  | NA                           | NA                                |
| Punishment                          | NA                     | NA                | NA  | NA                           | NA                                |
| Compounding                         | NA                     | NA                | NA  | NA                           | NA                                |
| <b>B. DIRECTORS</b>                 |                        |                   |   |                              |                                   |
| Penalty                             | NA                     | NA                | NA  | NA                           | NA                                |
| Punishment                          | NA                     | NA                | NA  | NA                           | NA                                |
| Compounding                         | NA                     | NA                | NA  | NA                           | NA                                |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                        |                   |   |                              |                                   |
| Penalty                             | NA                     | NA                | NA  | NA                           | NA                                |
| Punishment                          | NA                     | NA                | NA  | NA                           | NA                                |
| Compounding                         | NA                     | NA                | NA  | NA                           | NA                                |



| SR.No.            | **SHAREHOLDING OF TOP10 SHAREHOLDERS EXCEPT KMP/DIRECTORS/PROMOTERS |                             |                               |  |                                   |                    |                   |                            |                                  |  |
|-------------------|---|-----------------------------|-------------------------------|--|-----------------------------------|--------------------|-------------------|----------------------------|----------------------------------|--|
| Name              | 1   | 2                           | 3                             | 4  | 5                                 | 6                  | 7                 | 8                          | 9                                | 10                                     |
|                   | VANDANA SECURITIES PVT LTD  | FORESIGHT HOLDINGS PVT. LTD | SUNMATE TRADE PRIVATE LIMITED | KCP SUGAR AND INDUSTRIES CORPORATION LIMITED | VISION MILLENNIUM EXPORTS PVT LTD | SURESH KUMAR GUPTA | BABU LAL          | TEJAS VIDYADHARA RAO SETHI | SAMRRADHI INVESTMENTS CO PVT LTD | UNITED INDIA INSURANCE COMPANY LIMITED |
| DP ID / Folio     | IN3028210546503   | IN3024371058675             | 120137000043150               | IN30313120903900                             | 1201370000342530                  | IN3008413138319    | 1207080000015550  | 1201170000091340           | IN30154914944355                 | IN30081210000543                       |
| Reason For Change | Transfer  | Transfer                    | Transfer                      | Transfer                                     | Transfer                          | Transfer           | Transfer          | Transfer                   | Transfer                         | Transfer                               |
| 31/03/2015        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1627902<br>1.1844             | 1588721<br>1.1559                            | 1582371<br>1.1513                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 27/03/2015        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1627902<br>1.1844             | 1588721<br>1.1559                            | 1582371<br>1.1513                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 20/03/2015        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1627902<br>1.1844             | 1588721<br>1.1559                            | 1725916<br>1.2558                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 13/03/2015        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1627902<br>1.1844             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 6/3/2015          | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1627902<br>1.1844             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 27/02/2015        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1627902<br>1.1844             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 20/02/2015        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1627902<br>1.1844             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 13/02/2015        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1627902<br>1.1844             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 6/2/2015          | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1627902<br>1.1844             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 30/01/2015        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1627902<br>1.1844             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 23/01/2015        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1627902<br>1.1844             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 16/01/2015        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1627902<br>1.1844             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 9/1/2015          | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1627902<br>1.1844             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 2/1/2015          | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1750902<br>1.2739             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 31/12/2014        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1750902<br>1.2739             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 19/12/2014        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1750902<br>1.2739             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 12/12/2014        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1750902<br>1.2739             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 5/12/2014         | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1750902<br>1.2739             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 28/11/2014        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1750902<br>1.2739             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 21/11/2014        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 1953024<br>1.421              | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 14/11/2014        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 2279645<br>1.6587             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 7/11/2014         | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 2429645<br>1.7678             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 31/10/2014        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 2516658<br>1.8311             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 24/10/2014        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 2516658<br>1.8311             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |
| 17/10/2014        | Shares<br>1882235<br>1.3695   | 1854000<br>1.349            | 2516658<br>1.8311             | 1588721<br>1.1559                            | 0                                 | 1426841<br>1.0382  | 1033441<br>0.7519 | 1000000<br>0.7276          | 950000<br>0.6912                 | 593100<br>0.4315                       |



**Annexure IV**

**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 2014-15

**Electricity**

|                 |                   |          |
|-----------------|-------------------|----------|
| Purchased units | KWH               | 17474605 |
| Total amount    | Rs. (in millions) | 116.82   |
| Rate/Unit       | Rs.               | 6.69     |
| Rate per MT     | Rs.               | 8130     |

**HSD Oil**

|                    |                   |        |
|--------------------|-------------------|--------|
| Quantity of HSD    | Liter             | 741600 |
| Total Cost         | Rs. (in millions) | 36.50  |
| Average Rate/Liter | Rs.               | 49.21  |
| Rate per MT        | Rs.               | 2540   |

**LPG**

|                       |                   |         |
|-----------------------|-------------------|---------|
| Quantity              | Cylinders         | 12473   |
| Total Cost            | Rs. (in millions) | 42.88   |
| Average Rate/Cylinder | Rs.               | 3438.60 |
| Rate per MT           | Rs.               | 2985    |

**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 | 80692.61        |
| Total foreign exchange earnings during the year | 75184.94        |
| Total foreign exchange used during the year     | <u>81.21</u>    |
| Net foreign exchange earned during the year     | <u>75103.73</u> |

### Remuneration under section 197(12) of Company Act, 2013

| Sr. No. | Particulars   | Detail   |
|---------|---|--|
| 1       | the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;   | As per annexure (a)  |
| 2       | the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;  | No increment has taken place during the year 2014-15.  |
| 3       | the percentage increase in the median remuneration of employees in the financial year;  | No increment has taken place during the year 2014-15.  |
| 4       | the number of permanent employees on the rolls of company;  | 700  |
| 5       | the explanation on the relationship between average increase in remuneration and company performance  | The remuneration increase is subject to a fixed percentage every year and shall be subject to performance of employee.   |
| 6       | comparison of the remuneration of the Key Managerial Personnel against the performance of the company   | The company has not increased the any remuneration of KMP's during the year 2014-15, but company profit has increased from 303.32 to 654.58 in the year 2014-15  |
| 7       | variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies. | Price earning ration was 51.14 on 31.03.2014 and fall to 27.54 on 31.03.2015.<br><br>The public issue price of the shares was 10 Rs and the Current market quotation of the shares of the company is 11.25 which is 12.5% increase of issue price. |
| 8       | average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;                       | No, increase has taken place in the salary of the employees as well as Managerial personals.   |
| 9       | comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;   | The Managerial personals are paid an aggregate remuneration of Rs. 6600000 rupees PA while the profit of the Company was 6.54 Crores.  |
| 10      | the key parameters for any variable component of remuneration availed by the directors  | NIL  |
| 11      | the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year   | 2:1  |
| 12      | affirmation that the remuneration is as per the remuneration policy of the company.   | Yes, The remuneration is as per the remuneration policy of the company.  |

Annexure – (a)

#### RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR

| Sr. No. | Name                | Designation                  | Salary(PA) | Ratio    |
|---------|---------------------|------------------------------|------------|----------|
| 1       | Bajrang Dass Jindal | Chairman & Managing Director | 3600000    | 24.64:1  |
| 2       | Bimla Devi Jindal   | Director                     | 300000     | 2.05:1   |
| 3       | Kamini Jindal       | Director                     | 1200000    | 8.21 : 1 |
| 4       | R A Mittal          | Independent Director         | 750000     | 5.13 : 1 |
| 5       | Kishan Lal          | Independent Director         | 750000     | 5.13 : 1 |
| 6       | Vishnu Bhagwan      | Independent Director         | 750000     | 5.13 : 1 |
| 7       | Neeraj Chhabra      | Independent Director         | 540000     | 3.7 : 1  |



## CSR POLICY

### 1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY.

The Company has been actively participating in Social activities. The Company believes in giving to the society in which it operates. We believe that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, consumers and societies. We are of the opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholders' lives.

### OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN

CSR activities of the Company will have the following thrust areas:

- To promote the education of the children, the Company is actively participating and holding programmes for motivating the students about their education. The Company is currently distributing the scholarship for their basic as well as higher education and these will also be continued in the upcoming years. To promote medical education, the company is also undertaking a project of establishing Medical College.
- To reduce the poverty and to encourage the cultivation basic resources like seeds are provided to the farmers for giving them economical support.
- To promote healthcare by increasing medical facilities by the mean of establishing Medical College.
- To promote gender equality, empowering women, and facilitate the old age.
- To take initiatives for the protection of environment and to maintain the ecological balance.
- To protect the national heritage and take steps for its development.
- To practice all the works that will help in eradicating hunger, poverty, and malnutrition.

### REFERENCE TO THE WEB-LINK TO THE CSR POLICY

The Company policy is available on company's website [www.vikaswsp ltd.in](http://www.vikaswsp ltd.in). The link is provided as below

<http://www.vikaswsp ltd.in/CSR%20POLICY.DOCX>

### 2. THE COMPOSITION OF THE CSR COMMITTEE

The Company has formulated a CSR Committee under section 135 (1) and Rules made thereunder a committee on 29.05.2015. Its composition is as follows:-

|    |                   |        |
|----|-------------------|--------|
| 1. | B.D. Agarwal      | Member |
| 2. | Neeraj Chhabra    | Member |
| 3. | Bimla Devi Jindal | Member |

3. Average net profit of the company for last three financial years 25024.90 Lacs

4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) 500.50Lacs
5. Details of CSR spent during the financial year.

|     |  |             |
|-----|--|-------------|
| (a) | Total amount to be spent for the financial year; | 197.60 Lacs |
| (b) | Amount unspent                                   | 302.9 Lacs  |

(c) Manner in which the amount spent during the financial year is detailed below:-

| S. No. | Particulars  | (1)  | TOTAL       |
|--------|--|--|-------------|
| 1      | CSR project or activity identified   | Distribution of Guar seeds   |             |
| 2      | Sector in which the project is covered                                       | Reducing poverty by Providing resources to the poor farmers like seeds and contributing in increasing income |             |
| 3      | Projects or Programme  |  |             |
|        | (1) Local area or other  | Local  |             |
|        | (2) Specify the state and district where projects or programs was undertaken | Sri Ganganagar, Rajasthan  |             |
| 4      | Amount outlay (budget project or Programme wise                              | 500.50 Lacs  | 500.50 Lacs |
| 5      | Amount spent on the project or Programme Sub Heads;                          |  |             |
|        | (1) Direct expenditure on projects or programmes                             | 197.60 lacs  | 197.60 lacs |
|        | (2) Overheads  |  |             |
| 6      | Cumulative expenditure up to the reporting period                            | 197.60   | 197.60 Lacs |

(d) Reason for not spending the amount

The Company did not spend the amount during the previous year i.e. 2014-15 on CSR activity, because the company wanted to spend the amount on Health and Education under the activity mentioned under schedule VI to promote the education of the children in local area, but the matter is under management discussion.

Sd/-

**Bajrang Dass Agarwal**  
(Managing Director)

Sd/-

**Bajrang Dass Agarwal**  
Chairman of CSR Committee

Annexure - VII

## RELATED PARTY TRANSACTION

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

| SL. No. | Particulars   | Details |
|---------|---|---------|
| a)      | Name (s) of the related party & nature of relationship  | NA      |
| b)      | Nature of contracts/arrangements/transaction  | NA      |
| c)      | Duration of the contracts/arrangements/transaction  | NA      |
| d)      | Salient terms of the contracts or arrangements or transaction including the value, if any                         | NA      |
| e)      | Justification for entering into such contracts or arrangements or transactions'                                   | NA      |
| f)      | Date of approval by the Board   | NA      |
| g)      | Amount paid as advances, if any   | NA      |
| h)      | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | NA      |

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

| SL. No. | Particulars   | Details  |
|---------|---|--|
| a)      | Name (s) of the related party & nature of relationship                                    | Vikas Granaries Limited  |
| b)      | Nature of contracts/arrangements/transaction  | Sale/Purchase  |
| c)      | Duration of the contracts/arrangements/transaction  | 2014-15  |
| d)      | Salient terms of the contracts or arrangements or transaction including the value, if any | All the transactions will be related to the ordinary course of Business and will be on Arm length price and subject to the approvals required. |
| e)      | Date of approval by the Board   |  |
| f)      | Amount paid as advances, if any   |  |

## SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March,2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

### SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March,2015

To,  
The Members,  
Vikas Wsp Limited  
Railway Road, Siwani,  
Haryana-127046

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

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March,2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Vikas Wsp Limited for the financial year ended on 31st March,2015 according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made there under;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under.
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)

Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. Not Applicable of the Company.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable as the Company has not issued any debt securities.
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable as the Company has not delisted/proposed to delist its equity shares from any stock exchange during the financial year under review; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable as the Company has not bought back/proposed to buyback any of its securities during the financial year under review;
- (3) We have also examined Compliance with the other applicable Acts.
- (a) Payment Of Wages Act, 1936, and rules made there under,
  - (b) The Minimum Wages Act, 1948, and rules made there under,
  - (c) Employees' State Insurance Act, 1948, and rules made there under,
  - (d) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,
  - (e) The Payment of Bonus Act, 1965, and rules made there under,
  - (f) Payment of Gratuity Act, 1972, and rules made there under,
  - (g) Factory Act, 1948
  - (h) Air Pollution Act 1981
  - (i) Water Pollution Act 1974
4. We have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India under the Provisions

of Companies Act, 1956 (Not Notified hence not applicable to the Company during the audit period).

- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange, where the equity shares of the Company are Listed.

During the financial year under report, the Company has complied with the provisions of the New Companies Act, 2013, Old Companies Act, 1956 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. CFO Appointment is Compulsory according to Section 203 of the Companies Act, 2013.
5. We have relied on the information and representation made by the Company and its Officers for Systems and mechanism formed by the Company for Compliances under applicable Acts, Laws, and regulations to the Company.
6. We further report that
  - (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
  - (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.
  - (c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
7. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Vaishali  
Date : 10-08-2015

For NKS & Company  
(Nitesh Kumar Sinha)  
Practicing Company Secretary  
FCS No.-7536  
C P No.:7648

Note: This report is to be read with our letter of even date by the Secretarial Auditor, which is annexed as 'ANNEXURE A' and forms an integral part of this report, which is available on the website of the Company.

'ANNEXURE A'

To,  
The Members,  
Vikas Wsp Limited  
Railway Road, Siwani,  
Haryana-127046

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Vaishali  
Date : 10-08-2015

For NKS & Company  
(Nitesh Kumar Sinha)  
Practicing Company Secretary  
FCS No.-7536  
C P No.:7648



## CORPORATE GOVERNANCE

The Directors of the company are pleased to present the Company's report on Corporate Governance for the year ended March 31, 2015.

### 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.

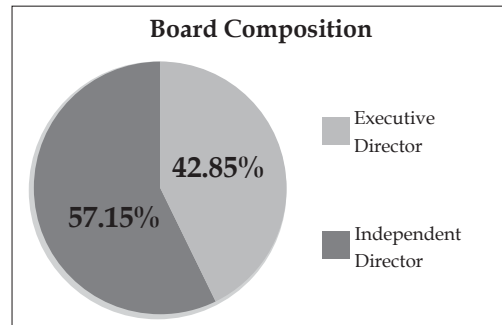
The company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements entered into with the Stock Exchanges with regard to corporate governance.

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 seven directors in the board of which independent directors consists of 57.15%. 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 Ship | Total no. of membership of the Committees of Board |                                 | Total No. of Chairmanship of the Committees of Board |                                |
|----------------------|--------------------------------|---------------------|--|---------------------------------|--|--------------------------------|
|                      |                                |                     | Member-ship in audit/Investor grievance committees | Member-ship in other committees | Chairman-ship in audit/investor grievance committees | Chairman-Ship other committees |
| Sh. B.D. Agarwal     | Chairman cum Managing Director | 6                   | 1  | 2                               | -  | -                              |
| Smt. Bimla Devi      | Executive Director             | 6                   | -  | 2                               | -  | -                              |
| Smt. Kamini Jindal   | Executive Director             | 4                   | 1  | 1                               | -  | -                              |
| Sh. Neeraj Chhabra   | Independent Director           | 2                   | 2  | 2                               | 1  | 1                              |
| Sh. Kishan Lal       | Independent Director           | 1                   | -  | -                               | -  | -                              |
| Sh. Vishnu Bhagwan   | Independent Director           | 1                   | -  | 1                               | -  | -                              |
| Sh. R.A. Mittal      | Independent Director           | 1                   | 2  | 1                               | 1  | -                              |

### 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 2014-15.

During the financial year 2014-15, 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:

29.05.2014, 20.06.2014, 25.06.2014, 29.07.2014, 14.08.2014, 02.09.2014, 04.09.2014, 21.10.2014, 03.11.2015, 15.11.2014, 24.11.2014, 05.12.2015, 01.01.2015, 14.02.2015, 29.03.2015.

Detailed Agenda notes and the informations required to be given in terms of Companies Act, 2013 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 30, 2014 |
|-----------------------|--------------------------------|---|
| Sh. B.D. Aggarwal     | 15                             | Yes   |
| Smt. Kamini Jindal    | 12                             | No  |
| Smt. Bimla Devi       | 12                             | No  |
| Sh. Kishan Lal        | 13                             | No  |
| Sh. Vishnu Bhagwan    | 14                             | No  |
| Sh. R.A. Mittal       | 12                             | No  |
| Sh. Neeraj Chhabra    | 13                             | Yes   |
| Smt. Deepika Aggarwal | 7                              | Yes   |

## 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 (Whole Time Director)**

Mrs. Bimla Devi Jindal, wife of Mr. B.D. Aggarwal belonging to the promoter group is a Whole Time 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.

## 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, 2013, the remuneration of Managing Director is decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee previously known as Compensation Committee. In determining the remuneration, the 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      | 36,00,000    |
| 2      | Mrs. Bimla Devi Jindal | 3,00,000     |
| 3      | Mrs. Kamini Jindal     | 12,00,000    |

**(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      | 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](http://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.

**BOARD COMMITTEES**

The Board of Directors has constituted five Board Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee. All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference / role of the Committees are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings, are provided below.

**1. AUDIT COMMITTEE**

The Company has an adequately qualified Audit Committee and its composition meets the requirement of Section 177 of the Companies Act, 2013 and clause 49 of the listing agreement. The Board, has amended and enhanced the terms of reference of the Audit Committee. The current charter of the Audit Committee is in line with international best practices as well as the regulatory requirements mandated by Companies Act, 2013 and clause 49 of the listing agreement. The Composition is as below:-

**Financial Reporting and Related Processes**

Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.

- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (IGAAP).
- Review the investments made by the Company.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

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

| S. No. | Name of Director   | Designation | Attended   |            |            |            |
|--------|--------------------|-------------|------------|------------|------------|------------|
|        |                    |             | 29.05.2014 | 14.08.2014 | 15.11.2014 | 14.02.2015 |
| 1.     | Sh. R.A. Mittal    | Chairman    | Yes        | Yes        | Yes        | Yes        |
| 2.     | Smt. Kamini Jindal | Member      | Yes        | Yes        | Yes        | Yes        |
| 3.     | Sh. Neeraj Chhabra | Member      | Yes        | Yes        | Yes        | Yes        |

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.

## 2. Nomination and Remuneration Committee

Company has constituted a compensation committee under company act, 1965. The Committee was reconstituted and the name was change from compensation Committee to Nomination and Remuneration committee as per provisions of section 178 of company act, 2013. The committee consists of following members.

|                      |           |
|----------------------|-----------|
| Neeraj Chhabra       | Chairman  |
| Ram Awtar Mittal     | Member    |
| Vishnu Bhagwan       | Member    |
| Ravinder Kumar Gupta | Secretary |

### Remuneration Policy

The Nomination and Remuneration Committee of the Company has formed Policy on Nomination and Remuneration to determine the remuneration of Directors, Key Managerial Personals, and Independent Directors of the Company. The policy consists of followings:-

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

- Fixed pay:** The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- Minimum Remuneration:** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

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

### Remuneration to Non- Executive / Independent Director:

#### a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

#### b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

#### c) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

- Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration if the following conditions are satisfied:

- The Services are rendered by such Director in his capacity as the professional; and
- In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

### Details of remuneration of Directors

The details of remuneration of director is provided in director's report annexure i.e. MGT-9.

## 3. Stakeholder Relationship Committee

The Board of Directors of the Company changed the name of Investors' Grievances Committee to Stakeholders Relationship committee in compliance of Section 178 of



Company Act, 2013 and listing agreement on 01.01.2015. 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. | Sh. R. A. Mittal   | Member    |
| 3. | Sh. B.D. Agarwal   | Member    |
| 4. | Ravinder K Gupta   | Secretary |

| S. No. | Name of Director   | Designation | Attended  |            |            |            |
|--------|--------------------|-------------|-----------|------------|------------|------------|
|        |                    |             | 5.06.2014 | 08.09.2014 | 24.12.2014 | 20.03.2015 |
| 1.     | Sh. Neeraj Chhabra | Chairman    | Yes       | Yes        | Yes        | Yes        |
| 2.     | Sh. B D Agarwal    | Member      | Yes       | Yes        | Yes        | Yes        |
| 3.     | Sh. R.A. Mittal    | Member      | Yes       | Yes        | Yes        | Yes        |

#### 4. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Company is required u/s 135 of Company Act, 2013, to spend atleast 2% of the average net profit made by the company during the three preceding Financial year on CSR matters provided in schedule VI and constitute Corporate Social Responsibility (CSR) Committee for this purpose. In compliance with the above provision company Constituted the CSR Committee on 28.05.2014.

The Committee Consist of three members Sh. BD Agarwal, Sh. Neeraj Chhabra, Smt. Bimla Devi, Sh. Ravinder k Gupta Company Secretary of the company acts as a Secretary of the committee.

| S. No. | Name of Director   | Designation | Attended   |            |            |            |
|--------|--------------------|-------------|------------|------------|------------|------------|
|        |                    |             | 29.05.2014 | 10.09.2014 | 15.12.2014 | 12.03.2015 |
| 1.     | Sh. Neeraj Chhabra | Chairman    | Yes        | Yes        | Yes        | Yes        |
| 2.     | Sh. B D Agarwal    | Member      | Yes        | Yes        | Yes        | Yes        |
| 3.     | Sh. R.A. Mittal    | Member      | Yes        | Yes        | Yes        | Yes        |

The details of grievances received from the shareholders during the year 2013-14 is as follows:-

| Sr. No | Complaint received through | No of complaints | Status   |
|--------|----------------------------|------------------|----------|
| 1      | SEBI                       | 2                | RESOLVED |
| 2      | BSE                        | 3                | RESOLVED |
| 3      | RTA                        | 4                | RESOLVED |
| 4      | INVEATOR                   | 5                | RESOLVED |
|        | TOTAL                      | 14               | RESOLVED |

#### 5. Company Risk Management Committee - Mandatory Committee

The Company has formed a risk management committee under clause 49 of listing agreement. The Committee is required to identify the risks involved in the company and to ensure a proper reporting of the risks to the Board of Directors, so that they can form their business strategies as per that. The Committee consist of three members namely:-

- |                   |        |
|-------------------|--------|
| B D Agarwal       | Member |
| Bimla Devi Jindal | Member |
| Kamini Jindal     | Member |

The Committee has laid down a policy known as Risk Management policy for identification of risk involved.

#### 6. Independent Directors' Meeting

During the year under review, the Independent Directors met on March 28, 2015, inter alia, to discuss:

1. Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
2. Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non-executive directors.
3. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

#### 7. CEO/CFO Certification

As required under Clause 49 (IX) of the Listing Agreement with the Stock Exchanges, the Chairman & Managing Director and the Group Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended March 31, 2014 which is annexed to this Report.

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



| Date       | Venue   | Time       | No. of Special Resolution |
|------------|---|------------|---------------------------|
| 29.09.2012 | In the local area of Regd. Office of the company at Railway Road, Siwani - 127046 (Haryana) | 10.00 A.M. | None                      |
| 27.09.2013 |   | 10.00 A.M. | Three                     |
| 30.09.2014 |   | 10.00 A.M. | None                      |

No Resolution has been passed through Postal ballot in the last year.

#### 9. DISCLOSURE

Details of all Related Party Transactions have been provide in the annexure of Board Report in form AOC-2

#### 10. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has framed Vigil Mechanism for detecting the fraud activities, if any, going on. The Policy provides for complete procedure to report any mal practice in the Company. It also ensures the protection to the employee who report against the fraud. The complete details of policy are provided on the website of the company [www.vikaswsp Ltd.in](http://www.vikaswsp Ltd.in).

#### 11. 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 Financial Express and Business Standard 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. The Results are also placed at company website [www.vikaswsp Ltd.in](http://www.vikaswsp Ltd.in).

#### 12. GENERAL SHAREHOLDER INFORMATION

These information's are furnished herein below: -

- As indicated in the notice to our shareholders, the Annual General Meeting of the Company will be held on Wednesday 30th September, 2014 in the local area of Regd. Office of the Company at 11.00 a.m.
- The financial year of the Company is 1st April 2014 to 31st March 2015.

- Date of Book Closure from 17th Sep. 2014 to 24th Sep. 2014 (both days inclusive) for the purpose of Annual Book Closure.
- Company is Listed on Bombay Stock Exchange and listing fees for the all the Stock Exchanges have been paid.
- In respect of transfer of physical shares, shareholders are advised to contact the Share Transfer Agent of the Company.
- Shares received for physical transfer are generally registered within a period of 15 days from the date of receipt.

As on March 31, 2015, the Distribution of our shareholding was as following: -

| Share or Debenture holding of nominal value | Share / Debenture Holders |        | Share / Debenture Amount |               |            |
|---|---------------------------|--------|--------------------------|---------------|------------|
|   | Rs.                       | Number | % to total               | Amount in Rs. | % to total |
| (1)   | (2)                       | (3)    | (4)                      | (5)           |            |
| Upto 2,500                                  | 40789                     | 89.473 | 22440719                 | 16.328        |            |
| 2,501 - 5,000                               | 2395                      | 5.254  | 9063135                  | 6.594         |            |
| 5,001 -- 10,000                             | 1180                      | 2.588  | 8902502                  | 6.477         |            |
| 10,001 - 20,000                             | 618                       | 1.356  | 9104815                  | 6.625         |            |
| 20,001 - 30,000                             | 211                       | 0.463  | 5253174                  | 3.822         |            |
| 30,001 - 40,000                             | 91                        | 0.2    | 3240986                  | 2.358         |            |
| 40,001 - 50,000                             | 69                        | 0.151  | 3203983                  | 2.331         |            |
| 50,001 - 1,00,000                           | 130                       | 0.285  | 9286084                  | 6.756         |            |
| 1,00,001 & Above                            | 105                       | 0.23   | 66944202                 | 48.708        |            |
| Total                                       | 45588                     | 100    | 137439600                | 100           |            |

| Category  | Nos. of shares held | % to Total |
|---|---------------------|------------|
| Promoters   | 34214781            | 24.89      |
| Financial Institutions / Nationalized Banks & Mutual Fund | 837341              | 0.61       |
| Non-Resident Individuals/ OCBs/Fil's/Foreign Nationals    | 1775176             | 1.29       |
| Bodies Corporate  | 22509945            | 16.38      |
| Resident Individuals                                      | 78102357            | 43.17      |
| <b>TOTAL</b>  | <b>137439600</b>    | <b>100</b> |

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 Pvt.ltd         | 1854000            | 1.34896     |
| 5      | Kcp Sugar And Industries Corporati | 1588721            | 1.15594     |
| 6      | Vandana Securities Pvt Ltd         | 1882235            | 1.36950     |
| 7      | Vision Millennium Exports Pvt Ltd  | 1582371            | 1.15132     |
| 8      | Sunmate Trade Private Limited      | 1627902            | 1.18445     |
| 9      | Suresh Kumar Gupta                 | 1426841            | 1.03816     |
| 10     | Foresight Holdings Pvt.ltd         | 1854000            | 1.34896     |
| 11     | Kcp Sugar And Industries Corporati | 1588721            | 1.15594     |
| 12     | Vandana Securities Pvt Ltd         | 1882235            | 1.36950     |

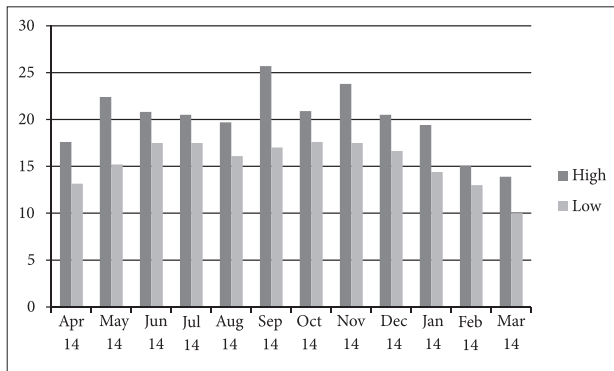
(viii) Dematerialization of shares

Over 98.20% 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. 14 | May. 14 | Jun. 14 | Jul. 14 | Aug. 14 | Sept. 14 | Oct. 14 | Nov. 14 | Dec. 14 | Jan. 15 | Feb. 15 | Mar. 15 |
|------|---------|---------|---------|---------|---------|----------|---------|---------|---------|---------|---------|---------|
| High | 17.59   | 22.4    | 20.8    | 20.5    | 19.7    | 25.7     | 20.9    | 23.8    | 20.5    | 19.4    | 15.05   | 13.9    |
| Low  | 13.15   | 15.2    | 17.5    | 17.5    | 16.1    | 17       | 17.6    | 17.5    | 16.65   | 14.4    | 13      | 10.01   |



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, 2013, 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@vikaswsp Ltd.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 & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited and the National

Stock Exchange of India Limited and is also placed before Stakeholders' Relationship 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@vikaswsp Ltd.in  
vikaswsp Ltd@gmail.com  
Website: www.vikaswsp Ltd.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.

### 13. 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, 2015.

For VIKAS WSP LIMITED  
Sd/-

Date : 04.09.2014

(B. D. Agarwal)

Place : Sri Ganganagar

Managing Director

### 14. 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 2014-15 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

For VIKAS WSP LIMITED

Sd/-

Date : 04.09.2014

Ram Awtar Mittal

Place : Sri Ganganagar

Chairman, Audit Committee

### 15. CERTIFICATION BY CEO/CFO UNDER CLAUSE 49 (V) OF THE LISTING AGREEMENT

The Board of Directors,  
VIKAS WSP LTD.

We have reviewed the financial statements and the cash flow statement of Vikas WSP Ltd. for the year ended March 31, 2015 and to the best of our knowledge and belief:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

Date : B D Agarwal  
Place : Sri Ganganagar (Managing Director/ Chief Financial Officer)

### 16. CERTIFICATE ON CORPORATE GOVERNANCE

TO  
THE MEMBERS  
VIKAS WSP LTD.

1. We have examined the compliance of conditions of Corporate Governance by Vikas WSP Limited, for the year ended on March 31, 2015, as stipulated in clause - 49 of the listing agreement of the said Company with the stock exchanges.
2. 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 as stipulated in above mentioned Clause of the listing agreement. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has generally complied with the conditions of corporate governance as stipulated in Clause -49 of the listing agreement.
4. However, as per Clause 49 of the listing agreement Audit Committee should meet at least four times in a year and not more than four months shall elapse between two meetings.
5. The company has held four meetings of the Audit Committee during the financial year 2014-2015 on 29.05.2014, 14.08.2014, 15.11.2014 and 14.02.2015.
6. The Stakeholder Relationship Committee was functioning according to the Listing Agreement.
7. As per the records maintained by the company, no Investor's Grievances were pending for a period exceeding one month as on 31.03.2015.
8. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Vaishali  
Date : 10-08-2015

For NKS & Company  
(Nitesh Kumar Sinha)  
Practicing Company Secretary  
FCS No.-7536  
C P No.:7648

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

- Chairman : The Company has an Executive Chairman & Managing Director..
- Remuneration : The Board has a Compensation Committee comprising majority of Committee the independent director. Committee
- Shareholders Right : The Company ensures that any new developments related to its Right 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. 78611.27 lakhs as compared to Rs. 103651.29 lakhs in the previous year during the year under review the company has earned a net profit of Rs. 654.58 lakhs as compared to net profit of Rs. 303.32 lakhs 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, 2015, the Statement of Profit and Loss, 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

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

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those

Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

### Emphasis of Matters

We draw attention to Note No. 39 in the notes to financial statements with regard to settlement of claims for non performance of orders with foreign buyers and Indian suppliers. Our opinion is not qualified in respect of this matter.

### Other Matters

The company has not complied with the provisions of Section 203 (1) (iii) of the Companies Act, 2013 regarding

appointment of Chief Financial Officer (CFO). Our opinion is not qualified in respect of this matter.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of section 143 of the Act, We give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The 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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 33 to the financial statements;
  - ii. The Company is not required to make any provision for any material foreseeable losses under any law or accounting standards on long terms contracts. Also the company is not

dealing into derivative contracts - Refer Note 41 to the financial statements;

- iii. There has been no delay in transferring any amount to the Investor Education and Protection Fund during the year - Refer Note 40 to the financial statements.

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

**Vimal Kumar Jain**

Partner

Membership No.:086657

**Place : Sri Ganganagar**

**Date : 12.06.2015**

#### Annexure to Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2015, we report that:

- (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.
- (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 189 of the Companies Act, 2013.

- (iv) 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) The Company has not accepted any deposits from the public.
- (vi) 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 sub-section (1) of section 148 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.
- (vii)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including, Provident Fund, 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, Excise duty, Cess and other material statutory due were in arrears as at 31 March 2015 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 other than those mentioned below:

| Name of the statute  | Nature of the dues | Amount demanded (Rs. in lacs) | Amount deposited under protest (Rs. in lacs) | Disputed amount not deposited (Rs. in lacs) | Period to which the amount relates | Forum where dispute is pending                     |
|----------------------|--------------------|-------------------------------|--|---|------------------------------------|--|
| Income-tax Act, 1961 | Income tax         | 30.72                         | 30.72  | --  | 1995-96                            | High Court of Punjab and Haryana                   |
| Service tax Act      | Service Tax        | 1387.81                       | 490.00                                       | 897.81                                      | 2006-07 to 2010-11                 | Customs, Excise and service tax Appellate Tribunal |

- (c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956(1 of 1956) and rules there under has been transferred to such fund within time.
- (viii) 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.
- (ix) 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.
- (x) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) The company did not have any term loans outstanding during the year.
- (xii) 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**  
Partner  
Membership No.:086657
- Place: Sri Ganganagar  
Date : 12.06.2015

## VIKAS WSP LIMITED

### Balance Sheet as at 31 March, 2015

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

|                                | Notes | As at<br>31 March 2015 | As at<br>31 March 2014 |
|--------------------------------|-------|------------------------|------------------------|
| <b>Equity and liabilities</b>  |       |                        |                        |
| <b>Shareholders' funds</b>     |       |                        |                        |
| Share capital                  | 2     | 1,374.40               | 1,374.40               |
| Reserves and surplus           | 3     | 140,905.05             | 140,259.32             |
| <b>Non-current liabilities</b> |       |                        |                        |
| Long-term borrowing            |       | -                      | -                      |
| Deferred tax liability (net)   | 4     | 3,825.88               | 3,562.54               |
| Long-term provisions           | 5     | 187.43                 | 143.84                 |
| <b>Current liabilities</b>     |       |                        |                        |
| Short-term borrowings          | 6     | 18,640.54              | 21,026.12              |
| Trade payables                 | 7     | 6,483.90               | 11,065.06              |
| Other current liabilities      | 8     | 1,279.94               | 1,969.40               |
| Short-term provisions          | 9     | 153.20                 | 5.15                   |
| <b>Total</b>                   |       | <b>172,850.34</b>      | <b>179,405.83</b>      |
| <b>Assets</b>                  |       |                        |                        |
| <b>Non-current assets</b>      |       |                        |                        |
| Fixed assets                   |       |                        |                        |
| Tangible assets                | 10A   | 81,530.87              | 84,166.80              |
| Intangible assets              | 10B   | 5.48                   | 1.15                   |
| Capital work in progress       |       | 1,113.88               | 1,747.49               |
|                                |       | <b>82,650.23</b>       | <b>85,915.44</b>       |
| Long term loans and advances   | 11    | 254.55                 | 592.74                 |
| Other non-current assets       | 12    | 20,102.65              | 638.52                 |
| Current assets                 |       |                        |                        |
| Inventories                    | 13    | 20,456.71              | 25,214.16              |
| Trade receivables              | 14    | 20,779.64              | 17,737.31              |
| Short term loans and advances  | 15    | 17,582.04              | 49,156.68              |
| Cash and bank balances         | 16    | 200.02                 | 150.98                 |
| Other current assets           | 17    | 10,824.50              | -                      |
|                                |       | <b>69,842.91</b>       | <b>92,259.13</b>       |
| <b>Total</b>                   |       | <b>172,850.34</b>      | <b>179,405.83</b>      |

#### Significant accounting policies

The accompanying notes are an integral part of the financial statements.

1

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As per our report attached

**For Arun K Agarwal & Associates**

Chartered Accountants

Firm Registration No. 003917N

**Vimal Kumar Jain**

Partner

Membership no: 086657

Place : Sri Ganganagar

Date: 12.06.2015

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

**B.D. Agarwal**

Managing Director

Place : Sri Ganganagar

Date: 12.06.2015

**Bimla Devi Jindal**

Director

Place : Sri Ganganagar

Date: 12.06.2015

**Ravinder K. Gupta**

Company Secretary

Place : Sri Ganganagar

Date: 12.06.2015

## VIKAS WSP LIMITED

### Statement of profit and loss for the year ended 31 March, 2015

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

|   | Notes | For the year<br>ended<br>31 March 2015 | For the year<br>ended<br>31 March 2014 |
|---|-------|--|--|
| <b>Income</b>   |       |  |  |
| Revenue from operation                                | 18    | 78,611.27                              | 103,651.29                             |
| Other income  | 19    | 585.26                                 | 536.31                                 |
| <b>Total (I)</b>                                      |       | <b>79,196.53</b>                       | <b>104,187.60</b>                      |
| <b>EXPENDITURE</b>                                    |       |  |  |
| Cost of materials consumed                            | 20    | 71,666.63                              | 75,823.55                              |
| (Increase)/ decrease in stock of finished goods       | 21    | 1,351.21                               | 9,417.77                               |
| Purchase of stock-in-trade                            |       | 408.73                                 | 525.46                                 |
| Employee benefits expenses                            | 22    | 1,557.72                               | 1,595.00                               |
| Finance cost  | 23    | 3,182.48                               | 3,204.83                               |
| Depreciation and amortization expenses                |       | 3,465.53                               | 4,583.29                               |
| Other expenses  | 24    | 5,522.77                               | 8,543.80                               |
| <b>Total (II)</b>                                     |       | <b>87,155.07</b>                       | <b>103,693.70</b>                      |
| <b>Profit/(loss) before exceptional items and tax</b> |       | <b>(7,958.54)</b>                      | <b>493.90</b>                          |
| <b>Exceptional Items</b>                              |       | <b>8,946.08</b>                        | <b>-</b>                               |
| <b>Profit/(loss) before tax</b>                       |       | <b>987.54</b>                          | <b>493.90</b>                          |
| Tax expenses  |       |  |  |
| - Current Tax   |       | 164.97                                 | 85.21                                  |
| - MAT credit entalment                                |       | (99.55)                                | -                                      |
| - Tax for earlier years                               |       | 4.20                                   | -                                      |
| - Deferred Tax  |       | 263.34                                 | 105.37                                 |
| <b>Total Tax expenses</b>                             |       | <b>332.96</b>                          | <b>190.58</b>                          |
| <b>Profit/(loss) for the year</b>                     |       | <b>654.58</b>                          | <b>303.32</b>                          |
| <b>Earnings per share (basic and diluted) - Rs.</b>   | 25    | <b>0.48</b>                            | <b>0.22</b>                            |

**Significant accounting policies**

The accompanying notes are an integral part of the financial statements.

1

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As per our report attached

**For Arun K Agarwal & Associates**

Chartered Accountants

Firm Registration No. 003917N

**Vimal Kumar Jain**

Partner

Membership no: 086657

Place : Sri Ganganagar

Date: 12.06.2015

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

**B.D. Agarwal**

Managing Director

Place : Sri Ganganagar

Date: 12.06.2015

**Bimla Devi Jindal**

Director

Place : Sri Ganganagar

Date: 12.06.2015

**Ravinder K. Gupta**

Company Secretary

Place : Sri Ganganagar

Date: 12.06.2015



## VIKAS WSP LIMITED

### Cash flow statement for the year ended 31 March, 2015

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

| Particulars  | As at<br>31 March 2015 | As at<br>31 March 2014 |
|--|------------------------|------------------------|
| <b>Cash Flow From operating activities</b>   |                        |                        |
| Profit/(loss) before exceptional item and tax                                      | (7,958.54)             | 493.90                 |
| Non-cash adjustment to reconcile profit before tax to net cash flows               |                        |                        |
| Depreciation and amortization  | 3,465.53               | 4,583.29               |
| Unrealised foreign exchange loss/(gain)  | (13.31)                | 19.15                  |
| Interest expenses  | 3,182.48               | 3,204.83               |
| Interest income  | (41.15)                | (102.15)               |
| Operating profit/(loss) before working capital changes                             | <u>(1,364.99)</u>      | <u>8,199.02</u>        |
| Movements in working capital   |                        |                        |
| Increase/(decrease) in trade payables  | (4,581.14)             | (15,684.21)            |
| Increase/(decrease) in long term provisions  | 43.59                  | 69.57                  |
| Increase/(decrease) in short term provisions                                       | 0.26                   | 1.13                   |
| Increase/(decrease) in other current liabilities                                   | (682.33)               | (16,661.35)            |
| Decrease/(increase) in trade receivables   | (3,028.58)             | 3,879.08               |
| Decrease/(increase) in inventories   | 4,757.45               | 12,330.36              |
| Decrease/(increase) in other non current assets                                    | 638.52                 | (527.38)               |
| Decrease/(increase) in long term loans and advances                                | 338.19                 | 28.28                  |
| Decrease/(increase) in short term loans and advances                               | (6,826.25)             | 12,433.92              |
| <b>Cash generated from / (used in) operations</b>                                  | <u>(10,705.28)</u>     | <u>4,068.42</u>        |
| Direct taxes paid (net of refunds)   | (21.38)                | (8,395.14)             |
| <b>Cash flow before exceptional items</b>  | <u>(10,726.66)</u>     | <u>(4,326.72)</u>      |
| <b>Exceptional items:</b>  |                        |                        |
| Settlement claim (net)   | 16,518.91              | -                      |
| <b>Net cash flow from / (used in) operating activities (A)</b>                     | <u>5,792.25</u>        | <u>(4,326.72)</u>      |
| <b>Cash flows from investing activities</b>  |                        |                        |
| Purchase of fixed assets, CWIP and capital advance                                 | (209.17)               | (631.20)               |
| Redemption / (investments) in bank deposits (having maturity of more than 3 month) | (100.03)               | 601.42                 |
| Interest received  | 41.15                  | 102.15                 |
| <b>Net cash flow from / (used in) investing activities (B)</b>                     | <u>(268.05)</u>        | <u>72.37</u>           |
| <b>Cash flows from financing activities</b>  |                        |                        |
| Proceeds from long term borrowings   | -                      | -                      |
| Repayment of long term borrowing   | -                      | (1,480.00)             |
| Proceeds from short term borrowings  | 142.99                 | 6,438.34               |
| Repayment of short term borrowing  | (2,528.57)             | -                      |
| Interest paid  | (3,189.61)             | (3,195.91)             |
| <b>Net cash flow from / (used in) in financing activities (C)</b>                  | <u>(5,575.19)</u>      | <u>1,762.43</u>        |

|  |              |               |
|--|--------------|---------------|
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | (50.99)      | (2,491.92)    |
| Cash and cash equivalents at the beginning of the year         | 150.98       | 2,642.90      |
| <b>Cash and cash equivalents at the end of the year</b>        | <b>99.99</b> | <b>150.98</b> |
| Components of cash and cash equivalents                        |              |               |
| Cash on hand   | 1.92         | 1.52          |
| With banks on current account                                  |              |               |
| - on deposit account   | 19.92        | 61.13         |
| - unpaid dividend accounts                                     | 78.15        | 88.33         |
| With banks fixed deposit                                       | -            | -             |
| <b>Total cash and cash equivalents</b>                         | <b>99.99</b> | <b>150.98</b> |

As per our report attached

**For Arun K Agarwal & Associates**

Chartered Accountants

Firm Registration No. 003917N

**Vimal Kumar Jain**

Partner

Membership no: 086657

Place : Sri Ganganagar

Date: 12.06.2015

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

**B.D. Agarwal**

Managing Director

Place : Sri Ganganagar

Date: 12.06.2015

**Bimla Devi Jindal**

Director

Place : Sri Ganganagar

Date: 12.06.2015

**Ravinder K. Gupta**

Company Secretary

Place : Sri Ganganagar

Date: 12.06.2015

## VIKAS WSP LIMITED

### Notes to financial statements for the year ended on 31 March 2015

(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 Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as applicable and the relevant provisions of Companies Act, 2013 ('Act').

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 the schedule III to the companies Act, 2013. 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. 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.

##### 1.4. 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 dispatch which coincides with the transfer of risks and rewards of ownership.

##### 1.5. 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.

##### 1.6. Depreciation and Amortisation

###### Tangible Assets

Depreciation is provided under the straight-line method based on the estimated useful lives of the assets at the rates specified under Schedule II to the Companies Act, 2013.

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

###### Intangible Assets

Computer Software are amortised over a period of 5 years.

##### 1.7. 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. |  |

##### 1.8. 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<br>31 March 2015 | As at<br>31 March 2014 |
|--|------------------------|------------------------|
| <b>Share capital</b>   |                        |                        |
| <b>Authorised capital</b>  |                        |                        |
| 287,500,000 (previous year 287,500,000) equity shares of Re. 1 each              | 2,875.00               | 2,875.00               |
|  | <u>2,875.00</u>        | <u>2,875.00</u>        |
| <b>Issued, subscribed and paid up capital</b>                                    |                        |                        |
| 137,439,600 (previous year 137,439,600) equity shares of Re.1 each fully paid up | 1,374.40               | 1,374.40               |
|  | <u>1,374.40</u>        | <u>1,374.40</u>        |

#### 2a. Reconciliation of the number of shares:

##### Equity Shares

|                                      | As at<br>31 March 2015 |                 | As at<br>31 March 2014 |                 |
|--------------------------------------|------------------------|-----------------|------------------------|-----------------|
|                                      | 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       | <u>137,439,600</u>     | <u>1,374.40</u> | <u>137,439,600</u>     | <u>1,374.40</u> |

#### 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<br>31 March 2015 |           | As at<br>31 March 2014 |           |
|--|------------------------|-----------|------------------------|-----------|
|  | Numbers                | % Holding | Numbers                | % Holding |
| Equity shares of Rs. 1 each fully paid |                        |           |                        |           |
| B D Agarwal                            | 23,903,432             | 17.39%    | 23,903,432             | 17.39%    |

# 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<br>2015 | 31 March<br>2014 | 31 March<br>2013 | 31 March<br>2012 | 31 March<br>2011 | 31 March<br>2010 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| 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<br>31 March 2015 | As at<br>31 March 2014 |
|---|------------------------|------------------------|
| <b>Capital reserve</b>  | <b>101.72</b>          | <b>101.72</b>          |
| <b>Securities premium reserve</b>                                 | <b>29,963.22</b>       | <b>29,963.22</b>       |
| General reserve   |                        |                        |
| Balance as at the beginning of the year                           | 25,126.75              | 25,126.75              |
| Add: transferred from surplus in the statement of profit and loss | -                      | -                      |
| <b>Balance as at the end of the year</b>                          | <b>25,126.75</b>       | <b>25,126.75</b>       |
| <b>Surplus/(deficit) in the statement of profit and loss</b>      |                        |                        |
| Balance as at the beginning of the year                           | 85,067.63              | 83,156.33              |
| Profit for the year   | 654.58                 | 303.32                 |
| Less: Appropriations  |                        |                        |
| Proposed dividend on equity shares for the year *                 | -                      | 1,374.40               |
| Dividend distribution tax on Proposed dividend on equity shares*  | -                      | 233.58                 |
| Transfer to general reserve                                       | -                      | -                      |
| Adjustment of Depreciation**                                      | (8.85)                 |                        |
| <b>Balance as at the end of the year</b>                          | <b>85,713.36</b>       | <b>85,067.63</b>       |
| <b>Total Reserves and Surplus</b>                                 | <b>140,905.05</b>      | <b>140,259.32</b>      |

\* Proposed dividend of Rs. 1374.40 lacs was not approved by the shareholders in the annual general meeting for the year 2012-2013, hence Proposed dividend of Rs. 1374.40 lacs and dividend distribution tax of Rs. 233.58 lacs has been reversed in the previous financial year 2013-2014.

\*\* During the year, the Company has adopted estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act, 2013. Accordingly, depreciation of Rs. 8.85 lacs on account of assets whose useful life is already exhausted on April 01, 2014 has been adjusted against Reserve & Surplus.

#### 4. Deferred tax liabilities (net)

|  | As at<br>31 March 2015 | As at<br>31 March 2014 |
|--|------------------------|------------------------|
| <b>Deferred tax liability</b>                                      |                        |                        |
| Difference in written down value of tax books and accounting books | 3,936.85               | 3,659.29               |
| <b>Deferred tax asset</b>  |                        |                        |
| Provision for gratuity and doubtful advances                       | (110.97)               | (96.75)                |
| <b>Total</b>   | <b>3,825.88</b>        | <b>3,562.54</b>        |

#### 5. Long term provisions

##### Provision for employee benefits:

|   |               |               |
|---|---------------|---------------|
| Provision for gratuity (refer to note 35) | 187.43        | 143.84        |
| <b>Total</b>                              | <b>187.43</b> | <b>143.84</b> |

#### 6. Short-term borrowings

##### Secured:

##### From bank

|  |                  |                  |
|--|------------------|------------------|
| Export packing credit (refer to note 6a (i) below) | 13,117.62        | 13,986.31        |
| Bill discounting (refer to note 6a (i) below)      | 5,290.98         | 6,950.86         |
| Bank overdraft (refer to note 6a (ii) below)       | 231.94           | 88.95            |
| <b>Total</b>                                       | <b>18,640.54</b> | <b>21,026.12</b> |

#### 6a. 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. 3,000 lacs each from Punjab National Bank secured by pari passu charge on inventory including stores and spares not relating to plant & machinery, bills receivable and book debts and all other movables, both present and future and mortgage of immovable assets of the Company at SP-241 and B-86/87 Udyog Vihar, RIICO Industrial Area, Sriganganagar and hypothecation of plant & machinery installed at SP-241 and B-86/87 Udyog Vihar, RIICO Industrial Area, Sriganganagar. Mrs. Bimla Devi Jindal, Mr. B.D. Agarwal and Mrs. Kamini Jindal, directors of the Company have also provided their personal guarantees.

The company has provided additional securities by way of mortgage of land and building of the company situated at F-88/89, Udyog Vihar, RIICO Industrial Area, Sriganganagar and SP-82, IGC Khara, Bikaner.

The Company has obtained packing credit limit and foreign documentary bill purchase/discounting facility of Rs. 6,000 lacs which is interchangeable from Bank of India secured by pari passu charge on inventory including stores and spares not relating to plant & machinery, bills receivable and book debts and all other movables, both present and future and mortgage of immovable assets of the Company at SP-241 and B-86/87 Udyog Vihar, RIICO Industrial Area, Sriganganagar and hypothecation of plant & machinery installed at SP-241 and B-86/87 Udyog Vihar, RIICO Industrial Area, Sriganganagar. Mrs. Bimla Devi Jindal, Mr. B.D. Agarwal and Mrs. Kamini Jindal, directors of the Company have also provided their personal guarantees.

The Company has obtained packing credit limit and foreign documentary bill purchase/discounting facility of Rs. 5,000 lacs each from Union Bank of India secured by pari passu charge on inventory including stores and spares not relating to plant & machinery, bills receivable and book debts and all other movables, both present and future and mortgage of immovable assets of the Company at SP-241 and B-86/87 Udyog Vihar, RIICO Industrial Area, Sriganganagar and hypothecation of plant & machinery installed at SP-241 and B-86/87 Udyog Vihar, RIICO Industrial Area, Sriganganagar. Mrs. Bimla Devi Jindal, Mr. B.D. Agarwal and Mrs. Kamini Jindal, directors of the Company have also provided their personal guarantees.

The company has provided additional security by way of mortgage of land and building of the company situated at G-1-237, F-90 and B-85, Udyog Vihar, RIICO Industrial Area, Sriganganagar and G-229 to G-238, F-239 to F-248, Boranada Industrial Area, Jodhpur.

(ii) Bank overdraft include Rs. 92.54 lacs secured against fixed deposits of Rs. 100.00 lacs.

#### 7. Trade payables

|                                   | As at<br>31 March 2015 | As at<br>31 March 2014 |
|-----------------------------------|------------------------|------------------------|
| Trade payables (refer to note 32) | 6,483.90               | 11,065.06              |
| <b>Total</b>                      | <b>6,483.90</b>        | <b>11,065.06</b>       |

#### 8. Other current liabilities

|  |                 |                 |
|--|-----------------|-----------------|
| Current maturities of long-term borrowings                         | -               | 520.00          |
| Interest accrued but not due on borrowings                         | -               | 7.13            |
| Unclaimed dividend   | 77.55           | 87.93           |
| Advances from customers  | 47.80           | 123.38          |
| Salary and bonus payable   | 211.70          | 227.52          |
| Statutory dues including Provident Fund and Tax deducted at source | 93.42           | 92.39           |
| Other payables   | 849.47          | 911.05          |
|  | <b>1,279.94</b> | <b>1,969.40</b> |

#### 9. Short term provision

|   |               |             |
|---|---------------|-------------|
| Provision for employee benefits:  |               |             |
| Provision for gratuity (refer to note 33)                               | 4.60          | 4.35        |
|   | <b>4.60</b>   | <b>4.35</b> |
| Other provisions  |               |             |
| Provision for Tax (net of advance tax of Rs. 10.00 and tds of Rs. 7.18) | 147.79        | -           |
| Provision for wealth tax  | 0.81          | 0.80        |
|   | <b>148.60</b> | <b>0.80</b> |
|   | <b>153.20</b> | <b>5.15</b> |

(figure in lacs)

**Note 10 : Fixed assets**

| Particulars                       | Gross Block        |                           |                        | Depreciation        |                    |                 | Net Block              |                     |                     |
|-----------------------------------|--------------------|---------------------------|------------------------|---------------------|--------------------|-----------------|------------------------|---------------------|---------------------|
|                                   | As at 1 April 2014 | Additions during the year | Deletions/ adjustments | As at 31 March 2015 | As at 1 April 2014 | For the year    | Deletions/ adjustments | As at 31 March 2015 | As at 31 March 2014 |
| <b>A) Tangible assets</b>         |                    |                           |                        |                     |                    |                 |                        |                     |                     |
| Land                              |                    |                           |                        |                     |                    |                 |                        |                     |                     |
| - Freehold (refer note (a) below) | 42,312.89          | -                         | -                      | 42,312.89           | -                  | -               | -                      | 42,312.89           | 42,312.89           |
| - Leasehold                       | 2,175.85           | -                         | -                      | 2,175.85            | -                  | -               | -                      | 2,175.85            | 2,175.85            |
| Buildings                         | 1,155.66           | 492.45                    | -                      | 1,648.11            | 412.57             | 48.97           | -                      | 1,186.57            | 743.09              |
| Plant and equipment               | 70,266.85          | 274.69                    | -                      | 70,541.54           | 31,581.32          | 3,360.01        | -                      | 34,941.33           | 38,685.53           |
| Furniture and fixtures            | 65.51              | 0.70                      | -                      | 66.21               | 6.13               | 6.50            | -                      | 53.58               | 59.38               |
| Vehicles                          | 238.99             | 69.28                     | -                      | 308.27              | 105.96             | 28.95           | -                      | 173.36              | 133.03              |
| Office equipments                 | 86.42              | 0.69                      | -                      | 87.11               | 29.39              | 20.46           | 8.85                   | 28.41               | 57.03               |
| <b>Total (A)</b>                  | <b>116,302.17</b>  | <b>837.81</b>             | -                      | <b>117,139.98</b>   | <b>32,135.37</b>   | <b>3,464.89</b> | <b>8.85</b>            | <b>81,530.87</b>    | <b>84,166.80</b>    |
| <b>B) Intangible assets</b>       |                    |                           |                        |                     |                    |                 |                        |                     |                     |
| Computer Softwares                | 1.58               | 4.97                      | -                      | 6.55                | 0.43               | 0.64            | -                      | 5.48                | 1.15                |
| <b>Total (B)</b>                  | <b>1.58</b>        | <b>4.97</b>               | -                      | <b>6.55</b>         | <b>0.43</b>        | <b>0.64</b>     | -                      | <b>5.48</b>         | <b>1.15</b>         |
| <b>Total (A+B)</b>                | <b>116,303.75</b>  | <b>842.78</b>             | -                      | <b>117,146.53</b>   | <b>32,135.80</b>   | <b>3,465.53</b> | <b>8.85</b>            | <b>81,536.35</b>    | <b>84,167.95</b>    |
| Previous year                     | 116,146.51         | 157.24                    |                        | 116,303.75          | 27,552.21          | 4,583.29        | -                      | 84,167.95           | 88,594.00           |

**Notes**

(a) There are restrictions on transferability of freehold land having an original cost of Rs. 27,857.47 lacs (previous year Rs. 27,857.47 lacs) 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 lacs (previous year Rs. 11,407.80 lacs) for 10 years from the date of acquisition i.e. 15 March 2010.

(b) Depreciation of Rs. 8.85 Lacs on account of assets whose useful life is already exhausted on April 01, 2014 has been adjusted against Reserve & Surplus pursuant to adoption of estimated useful life of fixed assets as stipulated by Schedule II of Companies Act, 2013.

## 11. Long term loans and advances

|  | As at<br>31 March 2015 | As at<br>31 March 2014 |
|--|------------------------|------------------------|
| <b>Unsecured, considered good (unless otherwise stated):</b> |                        |                        |
| Capital advances   | 38.98                  | 337.70                 |
| Security Deposits  | 215.57                 | 255.04                 |
| <b>Total</b>   | <b>254.55</b>          | <b>592.74</b>          |

## 12. Other non-current assets

|  |                  |               |
|--|------------------|---------------|
| Term deposits with banks (refer to note (a) below) | -                | 638.52        |
| Claim Receivable (refer to note 39)                | 20,102.65        |               |
| <b>Total</b>                                       | <b>20,102.65</b> | <b>638.52</b> |

### (a) Held as lien by bank against bank gurantees.

## 13. Inventories

*(At lower of cost or net realisable value)*

|                                 |                  |                  |
|---------------------------------|------------------|------------------|
| Raw Materials                   | 17,557.94        | 20,733.01        |
| Finished goods                  |                  |                  |
| - in stores                     | 2,247.94         | 3,146.67         |
| - in transit                    | 173.45           | 625.93           |
| Consumables , stores and spares | 432.03           | 662.67           |
| Packing materials               | 45.35            | 45.88            |
| <b>Total</b>                    | <b>20,456.71</b> | <b>25,214.16</b> |

### 13a. Details of Raw Material

|              |                  |                  |
|--------------|------------------|------------------|
| Guar         | 363.11           | 1,206.09         |
| Guar Split   | 17,154.36        | 19,503.59        |
| Other        | 40.47            | 23.33            |
| <b>Total</b> | <b>17,557.94</b> | <b>20,733.01</b> |

### 13b. Details of Finished Goods

#### (i) Goods Manufactured

|                              |                 |                 |
|------------------------------|-----------------|-----------------|
| Guar Gum Powder - in store   | 2,247.94        | 3,146.67        |
| Guar Gum Powder - in transit | 173.45          | 490.65          |
| Guar Split - in transit      | -               | 135.28          |
| <b>Total</b>                 | <b>2,421.39</b> | <b>3,772.60</b> |

## 14. Trade receivables

### Unsecured, considered goods unless otherwise stated

|  |                  |                  |
|--|------------------|------------------|
| Outstanding for a period exceeding 6 months from the date they are due for payment | 1,372.21         | 89.70            |
| Others   | 19,407.43        | 17,647.61        |
| <b>Total</b>   | <b>20,779.64</b> | <b>17,737.31</b> |



## 16. Short term loans and advances

|  | As at<br>31 March 2015 | As at<br>31 March 2014 |
|--|------------------------|------------------------|
| <b>Unsecured considered good, unless otherwise stated</b>        |                        |                        |
| <b>Others loans and advances</b>                                 |                        |                        |
| Advance recoverable in cash or kind (unsecured considered good)  | 2,989.87               | 3,104.87               |
| <b>Income tax refundable earlier years</b>                       | 216.05                 | 140.40                 |
| Advance tax and TDS ( net of Income tax provision of Rs. 85.21 ) | -                      | 75.65                  |
| MAT credit receivable  | 99.55                  | -                      |
| VAT credit receivable  | 16.34                  | 30.74                  |
| Advance to suppliers   | 14,260.23              | 43,768.48              |
| Receivable for seed distribution                                 | -                      | 2,036.54               |
| <b>Doubtful loans and advances</b>                               |                        |                        |
| Advance to suppliers   | 150.00                 | 150.00                 |
| Less: Provision for doubtful                                     | (150.00)               | (150.00)               |
| <b>Total</b>   | <b>17,582.04</b>       | <b>49,156.68</b>       |

## 16. Cash and bank balances

### Cash and cash equivalents

#### Balances with banks:

|                            |       |       |
|----------------------------|-------|-------|
| In current accounts        | 19.92 | 36.13 |
| Margin money account #     | -     | 25.00 |
| Unclaimed dividend account | 78.15 | 88.33 |

#### Cash in hand

|      |      |
|------|------|
| 1.92 | 1.52 |
|------|------|

#### Other bank balances

|   |               |               |
|---|---------------|---------------|
| Deposits with original maturity for more than 3 months but less than 12 months* | 100.03        | -             |
| <b>Total</b>  | <b>200.02</b> | <b>150.98</b> |

#### # Held as lien against foreign bill purchase/discounting facility

#### \* Held as lien against overdraft

## 17. Other current assets

|                                     |                  |          |
|-------------------------------------|------------------|----------|
| Claim Receivable (refer to note 39) | 10,824.50        | -        |
| <b>Total</b>                        | <b>10,824.50</b> | <b>-</b> |

## 18. Revenue from operations

### Sale of goods (gross)

|            |                  |                   |
|------------|------------------|-------------------|
| - exports  | 29,461.35        | 83,944.63         |
| - domestic | 48,615.67        | 18,224.06         |
|            | <b>78,077.02</b> | <b>102,168.69</b> |

|                   |      |      |
|-------------------|------|------|
| Less: excise duty | 1.18 | 8.25 |
|-------------------|------|------|

|                     |           |            |
|---------------------|-----------|------------|
| Sale of goods (net) | 78,075.84 | 102,160.44 |
|---------------------|-----------|------------|

### Other operating income

|                   |                  |                   |
|-------------------|------------------|-------------------|
| Export Incentives | 535.43           | 1,490.85          |
| <b>Total</b>      | <b>78,611.27</b> | <b>103,651.29</b> |

|  | For the Year Ended<br>31 March 2015 | For the Year Ended<br>31 March 2014 |
|--|-------------------------------------|-------------------------------------|
|--|-------------------------------------|-------------------------------------|

|  | For the Year Ended<br>31 March 2014 | For the Year Ended<br>31 March 2013 |
|--|-------------------------------------|-------------------------------------|
| <b>18a. Details of sales</b>                     |                                     |                                     |
| Guar gum powder                                  | 29,163.72                           | 77,288.79                           |
| Guar split                                       | 48,913.30                           | 24,879.90                           |
|  | <u>78,077.02</u>                    | <u>102,168.69</u>                   |
| <b>18b. Details of export sales</b>              |                                     |                                     |
| Direct Export                                    | 28,047.13                           | 82,208.71                           |
| Export through EOU/Others                        | 1,414.22                            | 1,735.92                            |
|  | <u>29,461.35</u>                    | <u>83,944.63</u>                    |
| <b>19. Other income</b>                          |                                     |                                     |
| Interest on fixed deposits and securities        | 41.15                               | 102.15                              |
| Foreign exchange gain                            | 336.91                              | 187.04                              |
| Miscellaneous Income                             | 207.20                              | 247.12                              |
| <b>Total</b>                                     | <u>585.26</u>                       | <u>536.31</u>                       |
| <b>20. Cost of material consumed</b>             |                                     |                                     |
| <b>Raw material consumed</b>                     |                                     |                                     |
| Opening Stock                                    | 20,733.01                           | 23,897.14                           |
| Add: Purchases                                   | 68,344.20                           | 72,361.53                           |
|  | <u>89,077.21</u>                    | <u>96,258.67</u>                    |
| Less: Closing Stock                              | 17,557.94                           | 20,733.01                           |
| <b>Cost of Raw Material Consumed</b>             | <u>71,519.27</u>                    | <u>75,525.66</u>                    |
| <b>Packing material consumed</b>                 |                                     |                                     |
| Opening Stock                                    | 45.88                               | 62.24                               |
| Add: Purchases                                   | 146.83                              | 281.53                              |
|  | <u>192.71</u>                       | <u>343.77</u>                       |
| Less: Closing Stock                              | 45.35                               | 45.88                               |
| <b>Cost of Packing Material Consumed</b>         | <u>147.36</u>                       | <u>297.89</u>                       |
| <b>Total Cost of Materials Consumed</b>          | <u>71,666.63</u>                    | <u>75,823.55</u>                    |
| <b>20a. Details of raw material consumed</b>     |                                     |                                     |
| Guar   | 13,986.61                           | 32,836.94                           |
| Guar split                                       | 57,206.62                           | 42,280.16                           |
| Other  | 326.04                              | 408.56                              |
|  | <u>71,519.27</u>                    | <u>75,525.66</u>                    |
| <b>21. (Increase)/decrease in stock</b>          |                                     |                                     |
| Opening stock                                    |                                     |                                     |
| Finished goods of Guar Gum Powder and Guar Split |                                     |                                     |
| - in stores                                      | 3,146.67                            | 7,363.54                            |
| - in transit                                     | 625.93                              | 5,826.83                            |
|  | <u>3,772.60</u>                     | <u>13,190.37</u>                    |
| Closing stock                                    |                                     |                                     |
| Finished goods of Guar Gum Powder and Guar Split |                                     |                                     |
| - in stores                                      | 2,247.94                            | 3,146.67                            |
| - in transit                                     | 173.45                              | 625.93                              |
|  | <u>2,421.39</u>                     | <u>3,772.60</u>                     |
| <b>(Increase)/ decrease in stock</b>             | <u>1,351.21</u>                     | <u>9,417.77</u>                     |

## 22. Employee benefits expenses

|  | For the Year Ended<br>31 March 2015 | For the Year Ended<br>31 March 2014 |
|--|-------------------------------------|-------------------------------------|
| Salaries, wages and bonus                                    | 1,341.32                            | 1,352.61                            |
| Contribution to provident and other funds (refer to note 33) | 135.50                              | 138.99                              |
| Staff welfare  | 80.90                               | 103.40                              |
| <b>Total</b>   | <b>1,557.72</b>                     | <b>1,595.00</b>                     |

## 23. Finance cost

|                  |                 |                 |
|------------------|-----------------|-----------------|
| Interest         |                 |                 |
| - Bank borrowing | 2,390.63        | 2,087.80        |
| - Supplier       | 678.84          | 978.89          |
| - Others         | 113.01          | 138.14          |
| <b>Total</b>     | <b>3,182.48</b> | <b>3,204.83</b> |

## 24. Other expenses

|                               |                 |                 |
|-------------------------------|-----------------|-----------------|
| Store and spares consumed     | 352.48          | 960.36          |
| Power and fuel                | 2,048.71        | 3,342.62        |
| Lease rent                    | 2.40            | 2.40            |
| Bank Charges                  | 151.64          | 98.54           |
| Repair and maintenance        |                 |                 |
| - plant and machinery         | 44.10           | 68.11           |
| - building                    | 10.88           | 16.64           |
| - others                      | 29.28           | 44.56           |
| Insurance                     | 214.99          | 265.54          |
| Rates and taxes               | 18.98           | 38.50           |
| Other manufacturing expenses  | 142.65          | 176.63          |
| Travelling expenses           | 126.36          | 139.88          |
| Legal and professional        | 85.87           | 101.39          |
| Laboratory & testing expenses | 81.70           | 91.27           |
| Port handling charges         | 185.61          | 379.00          |
| Freight                       | 988.00          | 2,220.38        |
| Seed distribution expense     | 30.53           | 72.88           |
| Miscellaneous                 | 1,008.59        | 525.10          |
| <b>Total</b>                  | <b>5,522.77</b> | <b>8,543.80</b> |

### Legal and professional expenses include payment to auditor

As auditor: \*

|                |       |       |
|----------------|-------|-------|
| Audit fee      | 30.00 | 30.00 |
| Limited review | 18.00 | 18.00 |

\*exclusive of service tax

24b. Miscellaneous expenses includes following :

- (i) Rs. 715.00 lacs towards donation to National Unionist Zamindara Party ("Political Party") within limit prescribed under Section 182 (1) of the Companies Act, 2013.
- (ii) Rs. 197.60 lacs spent towards various schemes of Corporate Social responsibility as prescribed under Section 135 of the Companies Act, 2013.

For the Year Ended  
31 March 2015

For the Year Ended  
31 March 2014

**25. Exceptional Items**

|   |                 |   |
|---|-----------------|---|
| Income from Settlement Claim received from buyer (refer to note 39) | 47,446.08       | - |
| Expense from Settlement Claim paid to supplier (refer to note 39)   | 38,500.00       | - |
| <b>Exceptional Items (Net)</b>                                      | <b>8,946.08</b> | - |

**26. Earning per share (EPS)**

|  |             |             |
|--|-------------|-------------|
| Profit attributable to equity shareholders' (for basic and diluted earning)  | 654.58      | 303.32      |
| Weighted average number of equity shares for basic and diluted earnings per share (face value of Re. 1 each (previous year Re. 1)) | 137,439,600 | 137,439,600 |
| Basic and diluted (Rs.)  | 0.48        | 0.22        |

**27. Value of imports calculated on CIF basis**

|           |              |                 |
|-----------|--------------|-----------------|
| Chemicals | 37.55        | 1,064.92        |
|           | <b>37.55</b> | <b>1,064.92</b> |

**28. Imported and indigenous raw materials, components and spare parts consumed**

|                            | For the year ended<br>31 March 2015 |           | For the year ended<br>31 March 2014 |           |
|----------------------------|-------------------------------------|-----------|-------------------------------------|-----------|
|                            | %                                   | Amount    | %                                   | Amount    |
| 1) Raw material            |                                     |           |                                     |           |
| Indigenous                 | 100%                                | 71,519.27 | 100%                                | 75,525.66 |
| ii) Stores and spare parts |                                     |           |                                     |           |
| Indigenous                 | 35%                                 | 123.38    | 13%                                 | 126.04    |
| Imported                   | 65%                                 | 229.10    | 87%                                 | 834.32    |
|                            | 100%                                | 352.48    | 100%                                | 960.36    |

**29. Expenditure in foreign currency (accrual basis)**

|                                |              |               |
|--------------------------------|--------------|---------------|
| Bank charges                   | 46.24        | 46.53         |
| Clearing & forwarding expenses | 17.93        | 82.13         |
| Sales commission               | -            | 70.75         |
| Travel                         | 10.15        | 2.97          |
| Salary                         | 6.89         | -             |
|                                | <b>81.21</b> | <b>202.38</b> |

**30. Earning in foreign currency (accrual basis)**

|                      |                  |                  |
|----------------------|------------------|------------------|
| FOB value of exports | 27,738.86        | 80,692.61        |
| Settlement Claim     | 47,446.08        | -                |
|                      | <b>75,184.94</b> | <b>80,692.61</b> |

**31. Foreign exchange exposures (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 2015 |                                | As at 31 March 2014 |                                |
|-------------------|---------------------|--------------------------------|---------------------|--------------------------------|
|                   | Rs.                 | Foreign Currency<br>(in lakhs) | Rs.                 | Foreign Currency<br>(in lakhs) |
| Receivables (USD) | 504.57              | 8.06                           | 1,132.04            | 18.84                          |

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

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the company. There are no overdue Principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

### 33. Contingent liabilities

|  | For the Year Ended<br>31 March 2015 | For the Year Ended<br>31 March 2014 |
|--|-------------------------------------|-------------------------------------|
| Claims against the company not acknowledged as debts |                                     |                                     |
| a) Income Tax matters, disputed and under appeal     | 30.72                               | 30.72                               |
| b) Service Tax matters, disputed and under appeal    | 1,387.81                            | 490.00                              |
|  | 1,418.53                            | 520.72                              |

### 34. Commitments

#### a) Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is Rs. 11.95 lacs (previous year Rs. 63.19 lacs).

#### b) Other commitments

Pending contracts for guar seeds and splits net of advance and not provided for is Rs. 5092.58 lacs (previous year Rs. 535.53 lacs)

### 35. 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<br>31 March 2015 | Year Ended<br>31 March 2014 |
|--|-----------------------------|-----------------------------|
| <b>a. Changes in Defined Benefit Obligation</b>              |                             |                             |
| <b>Liability at the beginning of the year</b>                | 148.19                      | 77.98                       |
| Interest cost  | 12.60                       | 6.24                        |
| Current service cost   | 25.52                       | 22.49                       |
| Benefits paid  | -                           | -                           |
| Actuarial (gain)/loss  | 5.72                        | 41.48                       |
| <b>Liability at the end of the year</b>                      | 192.03                      | 148.19                      |
|  | As at                       | As at                       |
|  | 31 March 2014               | 31 March 2013               |
| <b>b. Amount recognised in the balance sheet</b>             |                             |                             |
| Liability at the beginning of the year                       | 148.19                      | 77.98                       |
| Expenses for the year  | 43.84                       | 70.21                       |
| Benefit paid   | -                           | -                           |
| Liability at the end of the year                             | 192.03                      | 148.19                      |
|  | For the Year Ended          | For the Year Ended          |
|  | 31 March 2014               | 31 March 2013               |
| <b>c. Expenses recognised in the Profit and Loss Account</b> |                             |                             |
| Current service cost   | 25.52                       | 22.49                       |
| Interest cost  | 12.60                       | 6.24                        |
| Settlement cost/credit                                       | -                           | -                           |
| Net actuarial gain/(loss) recognised in the year             | 5.72                        | 41.48                       |
| Net benefit expenses   | 43.84                       | 70.21                       |



|   | For the year ended |               | For the year ended |               |
|---|--------------------|---------------|--------------------|---------------|
|   | 31 March 2013      | 31 March 2012 | 31 March 2015      | 31 March 2014 |
| <b>d. Experience adjustments</b>                      |                    |               |                    |               |
| Defined benefit obligation                            | 77.98              | 70.90         | 192.03             | 148.19        |
| Plan assets   | -                  | -             | -                  | -             |
| Deficit   | 77.98              | 70.90         | 192.03             | 148.19        |
| Experience adjustment on plan liabilities (loss)/gain | 11.14              | (0.26)        | 13.84              | (55.13)       |
| Experience adjustment on plan assets                  | -                  | -             | -                  | -             |

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

|  | As at<br>31 March 2015 | As at<br>31 March 2014 |
|--|------------------------|------------------------|
| Discount rate  | 7.88%                  | 8.50%                  |
| Salary escalation rate (p.a.)                                | 8.00%                  | 8.00%                  |
| Expected average remaining working life of employees (years) | 27.40                  | 28.36                  |

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    | IALM (2006-08)  |          |
| 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 68.10 (previous year Rs. 34.33) 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", 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.

| Particulars            | (Rs. In Lakhs)              |                             |
|------------------------|-----------------------------|-----------------------------|
|                        | Year ended 31<br>March 2015 | Year ended 31<br>March 2014 |
| <b>Segment Revenue</b> |                             |                             |
| U.S.A                  | 19,489.10                   | 60,495.30                   |
| Europe                 | 7,961.22                    | 14,747.07                   |
| Domestic               | 50,028.72                   | 20,008.57                   |
| Unallocated            | 596.80                      | 6,909.50                    |

|  |                  |                   |
|--|------------------|-------------------|
| <b>Total</b>   | <b>78,075.84</b> | <b>102,160.44</b> |
| <b>Add :</b>   |                  |                   |
| Unallocable Revenue                                  | <b>1,120.69</b>  | 2,027.16          |
| <b>Less :</b>  |                  |                   |
| Finance Cost   | <b>3,182.48</b>  | 3,204.83          |
| Depreciation and Amortization                        | <b>3,465.53</b>  | 4,583.29          |
| Unallocable Expenditure                              | <b>80,507.06</b> | 95,905.58         |
| <b>Profit/(loss) before exceptional item and tax</b> | <b>-7,958.54</b> | 493.90            |
| Exceptional Items                                    | <b>8,946.08</b>  | -                 |
| <b>Profit/(loss) before tax</b>                      | <b>987.54</b>    | 493.90            |
| <b>Tax expenses</b>                                  | <b>332.96</b>    | 190.58            |
| <b>Profit after tax</b>                              | <b>654.58</b>    | 303.32            |

### 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

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

Ms. Kamini Jindal - Director

Mrs. Bimla Devi Jindal - Director

Mr. Ravinder K. Gupta - Company Secretary

2) Entities controlled by KMPs

Vikas Granaries Limited

Vikas Dall and General Mills (Partnership firm)

Shree GRG Home Developers Private Limited

Kuber Warehousing Private Limited

| 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-15 | For the year ended 31-Mar-14 | For the year ended 31-Mar-15 | For the year ended 31-Mar-14 | For the year ended 31-Mar-15                                       | For the year ended 31-Mar-14 |
| <b>Sales</b>   |                              |                              |                              |                              |  |                              |
| - Vikas Granaries Limited                            | -                            | -                            | 23,998.20                    | 6,942.43                     | -  | -                            |
| <b>Purchases of raw materials and finished goods</b> |                              |                              |                              |                              |  |                              |
| - Vikas Granaries Limited                            | -                            | -                            | 62.55                        | 403.85                       | -  | -                            |
| <b>Salary paid to</b>                                |                              |                              |                              |                              |  |                              |
| - Mr. B D Agarwal                                    | 36.00                        | 36.00                        | -                            | -                            | -  | -                            |
| - Mrs. Bimla Devi Jindal                             | 3.00                         | 3.00                         | -                            | -                            | -  | -                            |
| - Mrs. Kamini Jindal                                 | 12.00                        | 12.00                        | -                            | -                            | -  | -                            |

|   |       |       |          |          |   |   |
|---|-------|-------|----------|----------|---|---|
| - Mr. Ravinder K Gupta  | 15.00 | 15.00 | -        | -        | - | - |
| - Mr. Ravinder K Gupta  | 15.00 | 15.00 | -        | -        | - | - |
| <b>Shares pledged by certain directors for term loan taken by the Company</b> |       |       |          |          |   |   |
| - B D Agarwal   |       | *     | -        | -        | - | - |
| - Bimla Devi Jindal   |       | *     | -        | -        | - | - |
| <b>b. Outstanding balances</b>  |       |       |          |          |   |   |
| <b>Trade receivable</b>   |       |       |          |          |   |   |
| - Vikas Granaries Limited   |       |       | 5,945.20 | 3,344.01 |   |   |
| <b>Other payable</b>  |       |       |          |          |   |   |
| - Mr. B.D. Agarwal  | 4.44  | 1.20  | -        | -        | - | - |
| - Mrs. Bimla Devi Jindal  | 1.00  | 1.50  | -        | -        | - | - |
| - Mrs. Kamini Jindal  | 0.94  | 3.46  | -        | -        | - | - |
| - Mr. Ravinder K Gupta  | 1.15  | 1.15  | -        | -        | - | - |

\* 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 lacs (Previous Year Rs. 8,000 lacs). Outstanding balance of the said loan as on 31st March 2015 is Rs. Nil (Previous Year Rs. 520 lacs)

### 38. Leases

- 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.
- Future minimum lease rentals payable as at 31st march 2015, as per the lease agreements:

|   | Year ended<br>31 March 2015 | Year ended<br>31 March 2014 |
|---|-----------------------------|-----------------------------|
| i) Not later than one year                            | 2.40                        | 2.40                        |
| ii) Later than one year and not later than five years | 9.60                        | 9.60                        |
| iii) Later than five years                            |                             |                             |
| <b>Total</b>  | <b>12.00</b>                | <b>12.00</b>                |

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

### 39. Settlement Claim

The Company had filed a legal suit in US Court of law against M/s Economy Polymers and Chemicals USA in the month of November 2013 for non performance of orders issued by M/s Economy Polymers and Chemicals USA. During the year, the Company has entered into a settlement for USD 80 Million, Equivalent INR 49482.62 lacs with M/s Economy Polymers and Chemicals USA against its claim for compensation. The company has recognized Rs. 47446.08 lacs in the profit and loss account and balance of Rs. 2036.54 lacs has been adjusted against outstanding receivable for seed distribution from Economy Polymers and Chemicals USA as per the settlement agreement. In turn, to discharge to the company's liability towards non performance of agreements for purchase of material for M/s Economy Polymers and Chemicals USA, the company has settled with suppliers for Rs.38500.00 lacs. The same has been recognized in the profit and loss account during the current financial year.

### 40. Investor Education and Protection Fund

There is no delay in transferring amount, required to be transferred, to Investor Education and Protection Fund by the company.

**41. Long term and Derivative Contracts**

The Company has no foreseeable losses, which requires provision under applicable laws or accounting standards on long-term contracts and not dealing into derivative contracts.

**42. Corporate Social Responsibility (CSR) Expenditure**

Gross amount required to be spent by the company during the year is Rs. 500.50 lacs against which the company has spent a sum of Rs. 197.60 lacs

**43. 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

**Vimal Kumar Jain**

Partner

Membership no: 086657

Place : Sri Ganganagar

Date: 12.06.2015

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

**B.D. Agarwal**

Managing Director

Place : Sri Ganganagar

Date: 12.06.2015

**Bimla Devi Jindal**

Director

Place : Sri Ganganagar

Date: 12.06.2015

**Ravinder K. Gupta**

Company Secretary

Place : Sri Ganganagar

Date: 12.06.2015







# VIKAS WSP LIMITED

## ATTENDANCE SLIP

Registered Office: RAILWAY ROAD, SIWANI-127046 (HARYANA)  
(To be handed over at the entrance of the meeting hall)

### 27th Annual General Meeting on 30 September, 2015

DPID-CLID /Folio No. -

Name of Shareholder (s) -

Address -

I / We certify that I am / we are Member(s) / Proxy of the Member(s) of the Company holding \_\_\_\_\_ shares.

I hereby record my presence at the Twenty Seventh Annual General Meeting of the Company to be held on Wednesday, September 30, 2015 at 11:00 a.m. at Railway Road, Siwani, Haryana-127046.

\_\_\_\_\_  
Signature of Member / Proxy

#### Electronic Voting Particulars

| Electronic Voting Sequence No. (EVSN) | User ID | Sequence Number |
|---------------------------------------|---------|-----------------|
|                                       |         |                 |

**Note:** Please read the instructions printed in the Notice of the Twenty Seventh Annual General Meeting. The voting period starts from 10:00 a.m. (IST) on Sunday, 27 September, 2015 and ends at 05:00 p.m. (IST) on Tuesday, September 29, 2015. The voting module shall be disabled by CDSL for voting thereafter.



# VIKAS WSP LIMITED

## PROXY FORM

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

### Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member (s) : \_\_\_\_\_

Registered address : \_\_\_\_\_

E-mail Id: \_\_\_\_\_ DP ID No.\* \_\_\_\_\_ Client ID No.\* \_\_\_\_\_

I / We, being the member(s) of \_\_\_\_\_ Equity Shares of Vikas WSP Limited, hereby appoint

1. Name : \_\_\_\_\_ Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him / her

2. Name : \_\_\_\_\_ Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him / her

3. Name : \_\_\_\_\_ Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him / her

as my/ our proxy to attend and vote( on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the company, to be held on Wednesday 30th day of September, 2015 at 11 a.m. at Railway Road , Siwani and at any adjournment thereof:

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of Proxy holder \_\_\_\_\_

Signature of the shareholder \_\_\_\_\_

- Note:**
- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
  - 2) The proxy need not be a member of the company

affix  
Re. 1/-  
Revenue  
Stamp





## **VIKAS WSP LIMITED**

B-86-87, Udyog Vihar, RIICO Industrial Area, Sri Ganganagar - INDIA  
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Visit us : [www.vikaswsp Ltd.in](http://www.vikaswsp Ltd.in)