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2011

2010

Vikas GlobalOne Ltd.

(India's Fastest Growing Speciality Additives & Compound Company)

CONTENTS

COMPANY INFORMATION

Board of Directors

Nand Kishore Garg	Chairman & Managing Director
Brij Behari Tandon	Independent-Non Executive Director
Pradip Kumar Banerji	Independent-Non Executive Director
Purushottam Dass Bhoot	Independent-Non Executive Director
Sumer Chand Tayal	Independent-Non Executive Director
Mukesh Aggarwal	Independent-Non Executive Director
Vikas Garg	Executive Director
Vivek Garg	Executive Director

Company Secretary

Aditya Narayan Singh

Statutory Auditors

M/s RSPH & Associates
(Formerly R. K. Batra & Company)
906, Vikram Tower,
Rajendra Place, New Delhi -110008

Bankers

Oriental Bank of Commerce
ICICI Bank

Registered Office

Vikas House, 34/1,
East Punjabi Bagh,
New Delhi - 110026

Registrar & Share Transfer Agent

Alankit Assignments Limited
2E/21, Alankit House,
Jhandewalan Extension
Delhi - 110055

Manufacturing Plant

Jammu & Kashmir:

Industrial Growth Centre,
Phase-I, SIDCO Complex
Distt. Samba-184121
Jammu & Kashmir

Rajasthan:

G-24-30, Vigyan Nagar,
RIICO Indl. Area,
Shahjahanpur,
Distt, Alwar-301706
Rajasthan

Board Committees & its Composition

Audit Committee

Mukesh Aggarwal	Chairman
Sumer Chand Tayal	Member
Purushottam Dass Bhoot	Member

Shareholder Grievance Committee

Sumer Chand Tayal	Chairman
Vivek Garg	Member
Mukesh Aggarwal	Member

Risk Management Committee

Pradip Kumar Banerji	Chairman
Mukesh Aggarwal	Member
Vikas Garg	Member

Remuneration Committee

Brij Behari Tandon	Chairman
Pradip Kumar Banerji	Member
Mukesh Aggarwal	Member
Vikas Garg	Member

Equity Warrant Committee

Mukesh Aggarwal	Chairman
Sumer Chand Tayal	Member
Vivek Garg	Member

NOTICE

Notice is hereby given that the 26th (TWENTY SIXTH) Annual General Meeting of VIKAS GLOBALONE LIMITED will be held on Wednesday, the 28th day of September, 2011 at 11:30 A.M. at Haryana Maitri Bhawan, Pitampura, New Delhi-110034 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet and cash flow Statement as at 31st March, 2011, the Proft and Loss Account for the year ended on that date together with the reports of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the financial year ended 31st March, 2011.
3. To appoint a Director in place of Mr. Nand Kishore Garg, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Vivek Garg, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. Brij Behari Tandon, who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration and for that purpose to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**.

   "RESOLVED THAT M/s RSPH & Associates (formerly M/s R. K. Batra & Company), Chartered Accountants, be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and the Board of Directors be and is hereby authorized to fix their remuneration for the said period.**"**

Special Business

7. **Appointment of Mr. Jagdish Capoor as a Director of the Company**

   To consider and, if thought fit, to pass with or without modification, if any, the following resolution as an **ORDINARY RESOLUTION**:

   "RESOLVED THAT Mr. Jagdish Capoor who was appointed by the Board of Directors in its meeting held on 10th August, 2011 as an Additional Director of the Company and who holds office upto the date of this Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 ("the Act"), and who is eligible for appointment as Director of the Company and the Company has received a notice in writing under Section 257 of the Companies Act,1956 in respect of the candidate, proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company and whose office shall be liable to retirement by rotation."

8. **Appointment of Mr. Vikas Garg as Managing Director of the Company**

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

   "RESOLVED THAT pursuant to Section 198, 269, 309, 310 and 311 read with Schedule XIII of the Companies Act, 1956 and all other applicable provisions, if any, (including any statutory modifications or re-enactment thereof that may hereafter be made by the Central Government), approval of the Members of the Company be and is hereby accorded for the appointment of Mr. Vikas Garg, as the Managing Director, with effect from 10th August, 2011 for a period of 5 (five) years, as per the agreement as approved by the Board and on the terms and conditions, as set out in the Explanatory Statement annexed to the Notice.

RESOLVED FURTHER THAT subject to the limits contained in Section 198, 309,310 and 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof that may hereafter be made by the Central Government), Mr. Vikas Garg be paid remuneration as ceiling set out in the agreement as recommended by the remuneration committee and approved by the Board of Directors, be and is hereby specifically sanctioned.

RESOLVED FURTHER THAT notwithstanding anything to the contrary contained herein, where in any financial year the Company has no profits or its profits are inadequate, during the currency of the tenure of Mr. Vikas Garg, the Company shall pay remuneration by way of salary and perquisites as minimum remuneration subject to such approvals, if any, as may be required under Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company including any Committee thereof be and is hereby authorized to alter, vary, modify and revise the terms and conditions including remuneration of the said appointee and/or agreement in such manner and from time to time, as may be agreed to between the Board and Mr. Vikas Garg provided the same is in conformity with Schedule XIII appended to the Companies Act, 1956 and to do all such acts, deeds, things, in its absolute discretion, consider necessary, expedient or desirable, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deemed fit.**"**

9. **Approval of ESOS (Employee Stock Option Scheme), 2011**

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 81(1A) and other applicable provisions of the Companies Act, 1956 and SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the Memorandum and Articles of Association of the Company and other statutory enactment as may be applicable subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee, including the ESOS Compensation Committee) to create, offer, issue and allot at any time to or to the benefit of such person(s) who are in employment of the Company, including any Directors of the Company, whether whole time or otherwise, options exercisable into equity shares being not more than 5,00,000 Nos. of Equity Shares of Rs. 10/- each of the Company under the Scheme titled "Employee Stock Option Scheme, 2011", in one or more tranches, and on such terms and conditions as may be fixed or determined by the Compensation Committee in accordance with the provisions of the law and guidelines issued by the relevant Authority, each option granted being exercisable for one equity share of the company.

RESOLVED FURTHER THAT the Compensation Committee be and is hereby authorized to issue and allot Equity Shares upon exercise of such options from time to time in accordance with the ESOS, 2011 and such Equity Shares shall rank pari passu in all respects with the existing equity shares of the company.

RESOLVED FURTHER THAT in case the equity shares are either sub-divided or consolidated, than the number of shares to be allotted and the price of acquisition of the shares by the aforesaid allottees under the ESOS, 2011 shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- each bears to the revised face value of the Equity Share of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

RESOLVED FURTHER THAT the Compensation Committee be and is hereby authorized to make modifications, changes, variations, alterations or revisions in the said ESOS, 2011 as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Companies Act, 1956, the Memorandum and Articles of Association of the Company, SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and any other Regulations in force for the time being."

NOTES:

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

b. Members Companies / Organization are requested to send a copy of the resolution authorizing their representatives to attend and vote at the Annual General Meeting.

c. In accordance with the provision of Articles of Association of the Company, Mr. Nand Kishore Garg, Mr. Vivek Garg and Mr. Brij Behari Tandon retire by rotation at this Annual General Meeting and being eligible offer themselves for re-appointment.

d. Members are requested to bring their admission slips along with a copy of the Annual Report to the Annual General Meeting.

e. The Register of Members and Share Transfer Books of the Company will be closed from Thursday, the 22nd day of September, 2011 to Wednesday, the 28th day of September, 2011 (both days inclusive).

f. If the dividend as recommended by the Board of Directors is approved at the Annual General Meeting, payment of such dividend will be made on or after 28th day of September, 2011 as under:

   i. To all Beneficial Owners in respect of shares held in electronic form, as per the data made available by the National Securities Depository Limited and the Central Depository Services (India) Limited, as on the close of business hours on 21st day of September, 2011.

   ii. To all Members in respect of shares held in physical form, after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 21st day of September, 2011.

g. Alankit Assignments Ltd. having Corporate Office at 'Alankit House' 2E/21, Jhandewalan Extension, New Delhi-110055 is the Registrar and Share Transfer Agent of the Company for physical shares as well as depository interface with NSDL and CDSL.

h. (A) In order to provide protection against fraudulent dividend warrants, Members who hold shares in physical form are requested to intimate the Company's Registrar and Share Transfer Agents (RTA), M/s Alankit Assignments Limited under the signature of Sole/First joint holder, the following information to be printed on Dividend Warrants:

   (i) Name of the Sole/First joint holder and the Folio number

   (ii) Particulars of Bank Accounts, viz:

   (iii) Name of the Bank

   (iv) Name of the Branch

   (v) Complete address of the Bank with the pin code number

   (vi) Account type, whether Saving Account or Current Account

   (vii) Bank Account number

   (B) Members who hold shares in dematerialized form, may kindly note that their Bank account details, as furnished by the Depositories to the Company, will be printed on their Dividend Warrants as per the applicable regulation of the Depositories.

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

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

k. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the registered office on all working days except Sundays and Holidays between 11:00 A.M. to 1:00 P.M. upto the date of Annual General Meeting.

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

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

n. The shares of the Company are currently listed at Delhi Stock Exchange and Bombay Stock Exchange and the Annual Listing Fee including service tax has been duly paid for the financial year 2011-12.

o. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of business under item no.7, 8 and 9 set out above and details under Clause 49 of the Listing Agreement of the Stock Exchanges.

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 the service of notices/documents including Annual Report sent by e-mail to its members.

The Company in support of the Green Initiative of MCA, propose to send its notices, annual report etc. in electronic form to the members. The members who wish to receive the said documents in electronic form are requested to register/update their e-mail addresses as per the following:

- Members holding equity shares of the Company in the electronic form are requested to update/register their e-mail addresses with their respective depository participants.
- Members holding equity shares in physical form are requested to update/register their e-mail addresses with the Company by sending a mail to **investors@vikasglobal.in** and **cs@vikasglobal.in** mentioning their name and folio number.

Explanatory Statement

(Pursuant to Section 173(2) of the Companies Act, 1956)

As required under Section 173(2) of the Companies Act, 1956, the following explanatory statement sets out the matter in relation to item no. 7, 8 and 9 of the accompanying notice dated 10th August, 2011.

ITEM NO. 7

The Board of Directors ('the Board'), at its Meeting held on 10th August, 2011 appointed Mr. Jagdish Capoor as an Additional Director with effect from 10th August, 2011 pursuant to Section 260 of the Companies Act, 1956. Mr. Capoor will hold office upto the date of forthcoming Annual General Meeting and is eligible for appointment as a Director. The Company has received notice under Section 257 of the Companies Act, 1956, in respect of the candidate, proposing his appointment as Director of the Company.

Mr. Jagdish Capoor aged about 72 years and holds Masters Degree in Commerce from Agra and a Fellow member of the Indian Institute of Banking and Finance. He has overall experience of over 45 years. He has formerly been a Deputy Governor of RBI and has also been a member on the boards of several banks, e.g. Bank of Baroda, State Bank of India, National Housing Bank, NABARD, Exim Bank, and HDFC Bank (as Chairman), and also on the board of Bombay Stock Exchange (BSE).

None of the Directors except Mr. Capoor is concerned or interested in this Ordinary Resolution.

The Board recommends this Ordinary Resolution for the approval of the members.

ITEM NO. 8

Mr. Nand Kishore Garg has resigned from the post of Managing Director of the Company on 10th August, 2011. The Board in its meeting held on 10th August, 2011 has accepted his resignation and recommended Mr. Vikas Garg to be appointed as Managing Director in his place for the period of five years w.e.f. 10th August, 2011 to manage the affairs of the Company. Mr. Vikas Garg has been working as an Executive Director of the Company since 30th June, 2009.

Mr. Vikas Garg aged about 38 years is a Commerce Graduate from Delhi University. He has been holding the post of Executive Director in the Company, since 30th June, 2009 and has rich experience of more than 10 years in the line of plastics and chemicals. He spearheaded the Group's diversification into plastics and chemicals and has been instrumental in getting distributorship rights from various global giants.

Mr. Vikas Garg in his working hands has set up plant for the production of Tin Mate and Add Flex, the first manufacturing facility for the product in India.

On the recommendation of the Remuneration Committee and subject to the approval of the Members, the Board of Directors of the Company has approved the appointment of Mr. Vikas Garg, as the Managing Director of the Company for a period of 5 years from 10th August, 2011 to 09th August, 2016. The terms of appointment and remuneration of Mr. Vikas Garg, include the following:

1. **Salary:** Upto maximum limit of Rs. 1,00,000 (Rupees One Lacs only) per month as per the agreement with authority to the Board or Committee of Board, to fix the salary within the above maximum amount from time to time.
2. **Perquisites:** Perquisites shall be restricted to an amount equivalent to annual salary and shall be valued in terms of the provisions of Income Tax Act, 1961:
   - *I.* *Housing*: The expenditure to the company on hiring furnished accommodation shall not exceed 60% of the salary. In case the Managing Director is provided accommodations owned by the company, he will pay 10% of his salary towards house rent.
   - *II.* *Medical Reimbursement*: Medical expenses incurred by the appointee on self, spouse and dependent children will be reimbursed to him subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
   - *III.* *Club Fees*: Fees of two clubs subject to a maximum of two clubs excluding admission and life membership fees.

IV. Annual Leave: 30 days annual leave with pay for every completed service of eleven months.

V. Leave Travel Concession: For self and family once a year in accordance with the rules of the company.

VI. Personal Accident Insurance: The annual premium on a policy shall be as per the rules of the Company.

VII. Provident fund and superannuation:

A. Company's contribution towards provident fund as per rules of the company, but not exceeding 10% of salary and company's contribution towards superannuation fund which shall not, together with the company's contribution to provident fund, exceed 25%.

B. Gratuity payable at the rate of half month's salary for each completed year of service with a service of six months or more being treated as a full year.

C. Encashment of leave at the end of tenure.

VIII. Use of Company's car for official duties and telephone at residence (including long distance calls) shall not be considered as perquisites;

IX. The company can reimburse actual entertainment and traveling expenses incurred by the managing director in connection with the company's business.

3. **Remuneration approved by the Board:** The Board approved in its meeting held on 10th August, 2011, a remuneration of Rs. 50,000 (Rupees Fifty Thousand only) to Managing Director, including allowances and perquisites;

The terms and conditions as specified above shall also be treated as an abstract of his terms of appointment and memorandum of disclosure of nature of interest or concern therein in terms of Section 302 of the Companies Act, 1956.

None of the Director except Mr. Vikas Garg, Mr. Vivek Garg and Mr. Nand Kishore Garg are concerned or interested in this resolution.

The Board recommends Special Resolution for the approval of the members.

ITEM NO. 9

Human Resource is the key resource for the continuing growth and development of the Company. To motivate the employees and enable them to participate in the long term growth and financial success of the organization, with a common objective of maximizing the shareholder's value, the Company is introducing an Employee Stock Option Scheme ("**ESOS 2011 or the Scheme**") for the benefit of the employees. The ESOS 2011 would not only enable the Company to attract and motivate employees by rewarding performance as also to retain best talents but also to enable the employees to develop a sense of ownership with the organization.

It is proposed that an Employee Stock Option Scheme, 2011 be set up with 5,00,000 stock options. The Compensation Committee will administer the ESOS, 2011 and formulate the detailed terms and conditions.

The Compensation Committee will perform all such functions as mentioned in the Scheme.

The salient features of the ESOS, 2011 are presented below:-

1. **Total number of options to be granted**

Options exercisable into not more than 5,00,000 Equity shares of Rs. 10/- each of the Company will be available for being granted to Eligible Employees (as defined in the Scheme)

2. **Identification of class of employees entitled to participate in the ESOS**

All Employees (as defined in the Scheme) and as may be decided by the Compensation Committee, from time to time (subject to applicable law), would be entitled to options under the ESOS, 2011.

However, the employees would be granted Stock options based on performance and such other criteria as the Compensation committee may on its absolute discretion decide.

3. Requirements of vesting and period of vesting

The acceptance of a grant made to a Option Grantee (as defined in the Scheme), shall conclude a contract between the Option Grantee (as defined in the Scheme) and the Company, *separate and distinct from the contract of employment entered into between the Option Grantee and the Company*, pursuant to which each option shall, on such acceptance, be an unvested option.

There shall be a minimum vesting period of one year between the grant of options and vesting of option.

Unless otherwise specified, all options granted on any date shall vest over a period of 3 years from the date of the grant in the manner as determined by the Compensation Committee.

It is hereby clarified that the vesting in respect of the options granted under the Scheme shall be at the sole and absolute discretion of the Compensation Committee and may vary from an Employee to Employee or any class of their and/or in respect of the number or percent of options awarded to an Employee.

Subject to Option Grantee's (as defined in the Scheme) continuing the employment with the Company, all the options granted to an Employee shall vest in him/her on the next day immediately following the expiry of minimum vesting period.

4. Maximum Period within which options shall be vested

The maximum period within which the Options shall be vested is upon the completion of 3 (three) years from the date of Grant of Option and the Exercise Period shall commence from the date of vesting and expire not later than 1 (One) year from such date of vesting. Within these outer limits, the Compensation Committee may fix such vesting period and exercise period as it may deem fit.

5. Exercise Price

The Compensation Committee will have the freedom to determine the Exercise Price subject to the confirming the accounting policies as specified in the Securities Exchange Board of India (Employee Stock Option Plan and Employee Stock Purchase Plan) Guidelines, 1999. However, in case the Company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Director's report and also the impact of this difference on profits and on earning per share of the Company shall also be disclosed in the Director's report

The exercise price shall be decided by Compensation Committee from time to time.

6. Exercise Period and the process of Exercise

The Option Grantee (as defined in the scheme) alone can exercise the vested option.

The Employee can exercise the vested options only within the exercise period. Such exercise may be of all vested options or part of the vested options.

The exercise period shall commence from the date of vesting of option and expire not later than 1 (One) year from the date of vesting of option. The exercise period can be extended only under special circumstances at the discretion of the Compensation Committee upon a specific request made by the Option Grantee (as defined under the Scheme) concerned to this effect.

No fraction of a vested option shall be exercisable in its fractional form.

Exercise of the options shall take place at the time and place designated by the Compensation Committee or the Company and by executing such documents as may be required under the Applicable Laws to pass a valid title to the relevant shares to the Option Grantee (as defined under the Scheme), free and clear of any liens, encumbrances and transfer restrictions save for those set out therein.

An option shall be deemed to be exercised only when the Compensation Committee receives notice of exercise and the exercise price (in accordance with the Scheme) from the person entitled to exercise the option.

On exercise, the Option Grantee (as defined in the Scheme) can subscribe to the shares on the full payment of the exercise price and taxes, if any required to be deducted by the Company in respect of exercise of the Option, and the Company shall allot the shares to the Option Grantee (as defined under the Scheme) after completing the necessary formalities in this regard, provided the Compensation Committee / Company finds the exercise form complete and conditions of the Scheme are complied with. Subsequent to allotment, no Option Grantee (as defined under the Scheme) should seek to sell or otherwise transfer the shares until there is a confirmation from the Company that the listing procedures with respect to the allotted shares have been completed.

Subject to Applicable Law, the shares issued consequent upon exercising the options under the Scheme shall be subject to such lock-in period as may be specified by the Compensation Committee.

Notwithstanding anything contained in the Scheme, if the Option Grantee does not exercise his vested options within the time specified above, the options shall lapse. Further, the amount paid by the Employee may be refunded back if the options are not vested due to non-fulfillment of conditions relating to vesting of options as per the Scheme.

7. Appraisal Process for determining the eligibility of the employees to ESOS

No Employee shall be eligible for grant of options before his or her confirmation of service into the Company. However, upon confirmation, his or her tenure of service, for the purpose of determining the quantum of options, shall be considered retrospectively from the date of joining.

Besides satisfying the prima-facie condition mentioned above, only Employees (as defined in the Scheme) are eligible. Subject to this, the Compensation Committee shall, at its sole discretion, determine which Employee or category of Employees shall be eligible for grant of options and the terms of grant thereof and accordingly, the Company would offer the options to the identified Employees based on the following parameters:

- Cost to the Company
- Job Responsibilities
- Interpersonal skills
- Discipline
- Efficiency

The Compensation Committee, may, at its sole discretion, include or remove any parameters for determination of Employee or category of Employees who shall be eligible for grant of options and the terms of grant thereof.

8. Maximum number of options to be issued per employee and in aggregate

The number of options that may be granted per employee under the Scheme shall be determined by the Compensation Committee. The maximum number of shares that may be issued pursuant to exercise of options granted to the Option Grantee (as defined under the Scheme) shall not exceed 5,00,000 (Five Lacs) shares or any other higher number of shares as may be approved by shareholders in the general meeting from time to time over the period of 3 (Three) years. The Company reserves the right to increase or reduce such number of Shares as it deems fit.

9. The method which the company shall use to value its options whether fair value or intrinsic value

The Company shall use the Fair Value method to value its options.

10. Disclosure and Accounting Policies

The Company shall comply with the Disclosure and the Accounting policies prescribed in Securities Exchange Board of India (Employee Stock Option Plan and Employee Stock Purchase Plan) Guidelines, 1999.

11. Disclosure in Director's Report

In case the Company calculates the Employee compensation cost using the intrinsic value of the stock options, the difference between the Employee compensation cost so computed and the Employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Director's Report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Director's Report.

12. Requirements of Clause 49 I. (B) of Listing Agreement

The maximum limits for the maximum number of stock options that can be granted to non-executive directors, including independent directors, in a financial year is 25,000 equity shares each and in aggregate 1,25,000 equity shares.

However, as per the ESOP, 2011, no employee shall be issued options, during any one year, equal to or exceeding 1% of the issued capital of the company at the time of issuance of option except with the specific approval of the members of the company accorded during through special resolution to be passed in general meeting.

13. Additional disclosures as required under the listed Public Companies if any

Price: The exercise price for the purpose of issue of shares under the present ESOS shall be decided by the Compensation Committee from time to time.

Relevant Date on the basis of which price has been arrived at: As mentioned above, the exercise price for the purpose of issue of shares under the present ESOS shall be decided by the Compensation Committee from time to time. The relevant date for arriving at the exercise price may also vary.

Objects of the issue:

- To attract, reward, motivate and retain its employees for high levels of individual performance and for extraordinary efforts to improve the financial performance of the Company, which will ultimately contribute to the success of the Company.
- To foster employee commitment and a feeling of ownership.
- To retain employees and keep long association with the Company.
- To instill a sense of belongingness to the Company.

Identity & Particulars of Allottee: All the Employees (as defined under the Scheme) of the Company are entitled to participate in the present ESOS.

Intention of Promoters to subscribe to the offer: Promoters are not entitled to participate in the present Scheme.

Pre-issue & Post-issue Shareholding Pattern of the Issuer Company:

Category of Shareholders	Pre-issue Shareholding		Post-issue Shareholding	
	No. of Shares	%	No. of Shares	%
Promoters	43,26,599	42.82	43,26,599	40.80
Non-promoters including the Allottee	57,77,338	57.18	62,77,338	59.20
Total	**1,01,03,937**	**100.00**	**1,06,03,937**	**100.00**

Time frame of Allotment: Allotment of shares by the Company shall be made within 7 days from the exercise of option by an eligible grantee.

Change in Control of Management: Pursuant to the present ESOS there is no change in control of management of the Company as intended or expected

As the ESOS, 2011 provides for shares to be offered to persons other than the existing shareholders of the Company, consent of the members is sought pursuant to Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956, applicable provisions of the listing agreement and as per Clause 6 of Securities Exchange Board of India (Employee Stock Option Plan and Employee Stock Purchase Plan) Guidelines, 1999.

Further the Company has obtained a certificate from M/s RSPH & Associates (formerly R. K. Batra & Company), Statutory Auditors of the Company to the effect that the proposed ESOS Scheme is in accordance with the requirements contained in the applicable provision. The aforesaid Certificate shall be laid before the AGM.

None of the Directors are concerned or interested in the said resolution, except to the extent of the securities that may be offered to them under the Scheme.

The Board of Directors recommends the special resolution for the approval of the members.

ANNEXURE

Information pursuant to Clause 49 of the Listing Agreement of Stock Exchanges regarding appointment of a new Director or re-appointment of a Director at this Annual General Meeting

Name of Director	Nand Kishore Garg
Date of Birth	14.04.1948
Date of Appointment	30.11.1984
Specialised expertise	Trading of Chemical and PVC components
Qualifications	M.Sc., LLB, Ph.D.
Directorship of other Public Limited Companies as at 31st March, 2011	Bharat Prakashan (Delhi) Limited
No. of shares held in the Company as on 31st March, 2011 in the Vikas GlobalOne Limited	245311

Name of Director	Vivek Garg
Date of Birth	26.11.1974
Date of Appointment	25.07.2008
Specialised expertise	Supervising the operations of the Company pertaining to Real estate segment.
Qualifications	Commerce Graduate
Directorship of other Public Limited Companies as at 31st March, 2011	NIL
Chairmanship/Membership as at 31st March, 2011 in the Vikas GlobalOne Limited	Member of Shareholder Grievance Committee and Equity Warrant Committee
No. of shares held in the Company as on 31st March, 2011 in the Vikas GlobalOne Limited	42862

Name of Director	Brij Behari Tandon
Date of Birth	30.06.1941
Date of Appointment	25.07.2008
Specialised expertise	Experience in the fields of Economics, Company Law, Co-operation and Industrial finance. He has also served as a member of IAS since 1965 to 2001.
Qualifications	M.A. (Economics) and LLB and also obtained Associate certificate from Indian Institute of Bankers in respect of subjects of co-operation and Industrial finance. He has also served as a member of IAS since 1965 to 2001.
Directorship of other Public Limited Companies as at 31st March, 2011	Ambience Limited Adani Power Limited ACB (India) Limited Bhushan Steel Limited Birla Corporation Limited Dhampur Sugar Mills Limited Exicom Tele-Systems Limited Filatex India Limited Jaiprakash Power Ventures Limited Jaypee Infratech Limited Lanco Anapara Power Limited Oriental Carbon & Chemicals Limited Precision Pipes & Profiles Limited VLS Finance Limited
Chairmanship/ Membership as at 31st March, 2011 in the Vikas GlobalOne Limited	Remuneration Committee
No. of shares held in the Company as on 31st March, 2011 in the Vikas GlobalOne Limited	NIL

Name of Director	Mr. Jagdish Capoor
Date of Birth	01.07.1939
Date of Appointment	10.08.2011
Qualifications	Master in Commerce
Directorship of other Public Limited Companies as at 31st March, 2011	Asset Care and Reconstruction Enterprise Limited Indian Hotels Company Limited Alankit Assignments Limited Entegra Limited Indian Hotels Company Limited LIC Pension Fund Limited Manappuram Finance Limited
Chairmanship/ Membership as at 31st March, 2011 in the Vikas GlobalOne Limited	NIL
No. of shares held in the Company as on 31st March, 2011 in the Vikas GlobalOne Limited	NIL

By order of the Board of Directors

Aditya Narayan Singh
Company Secretary

Place: New Delhi
Date: 10th August, 2011

DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in presenting the 26th (Twenty Sixth) Annual Report of your Company and Audited Statement of Accounts for the year ended 31st March, 2011.

FINANCIAL PERFORMANCE SUMMARY

(Rupees in Lacs)

Particulars	Company (Standalone)		Vikas Global group (Consolidated)	
	2010-11	2009-10	2010-11	2009-10
Gross Income	9967.90	6230.72	12185.56	6361.13
Gross Expenditure	9543.95	6044.71	11333.96	5896.03
Add: Share of Profit from investment in Partnership firm	201.18	140.82	(193.29)	(135.30)
Less: Prior Period adjustments	0.43	(10.83)	1.51	(10.53)
Net Profit before Tax	**624.70**	**337.66**	**656.80**	**340.33**
Less: Provision for Taxation	6.50	33.75	11.58	33.75
Less: Provision for Deferred Tax Liability	13.32	1.08	13.33	1.08
Less: Provision for Taxation (earlier years)	(2.73)	-	(2.73)	-
Profit after Tax	**607.61**	**302.83**	**634.62**	**305.50**
Add: Balance brought forward from previous year	384.10	127.06	386.77	127.06
Add: Adjustment prior period Income from Sigma Plastic Industries	1.36	-	(1.31)	-
Profit available for appropriation	**993.07**	**429.89**	**1020.08**	**432.56**
Less: Proposed Dividend	101.04	39.27	101.04	39.27
Less: Provision for Dividend Tax	16.78	6.52	16.78	6.52
Profit carried to Balance Sheet	**875.25**	**384.10**	**902.26**	**386.77**

REVIEW OF OPERATIONS

The Company showed improvement in nearly all the spheres it operates in.

On consolidated basis, the gross turnover during the year under review (FY 2010-11) was Rs. 11,975.58 Lacs as against Rs. 6,250.23 Lacs in the previous year (FY 2009-10), registering an overall increase of 91.60%. The Profit after Tax during the year under review was Rs. 634.62 as against Rs. 305.50 in the previous year, an overall increase of 107.73%.

FINANCIAL STATEMENTS

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

DIVIDEND

Based on the Company's performance, your Directors are pleased to recommend for approval of the members a final dividend of Rs. 1.00 per share for the year ended 31st March, 2011 as compared to previous year Rs. 0.50 per share, on the capital of 1,01,03,937 Equity Shares of Rs. 10 each.

SUBSIDIARIES

In terms of Section 212 of the Companies Act, 1956, your Company is required to attach the Director's Report, Auditors Report, Balance Sheet and Profit & Loss Account of its Subsidiaries to its Annual Report. However, the Ministry of Corporate Affairs (MCA), Government of India, New Delhi vide its circular no. 2/2011 dated 08th February, 2011 has granted a general exemption to all the Companies for not attaching the above documents of subsidiaries with the Annual Report of the Holding Company, subject to compliance of the conditions specified therein. As required under the said general circular, the Board of Directors of the Company gave its specific consent for not attaching the Balance Sheets of its Subsidiaries as they would be made available to its members at its registered office.

In terms of the said notification of the MCA, a summary of the financial information of each of the subsidiaries of the Company is provided as Annexure ‘B’ to this report. Any member intends to have a certified copy of the Balance Sheet and other financial statements of these subsidiaries may write to the Company Secretary. Accordingly, this annual report does not contain the reports and other statements of the subsidiaries. These documents will also be available for inspection during the business hours at the registered office of the Company and also at the registered offices of the respective subsidiaries.

DIRECTORS

Mr. Nand Kishore Garg, Mr. Vivek Garg and Mr. Brij Behari Tandon, Directors of the Company retire by rotation and being eligible offers themselves for re-appointment. The Board recommends their re-appointment at the ensuing Annual General Meeting.

Mr. Jagdish Capoor, who was appointed as an Additional Director by the Board in its meeting held on 10th August, 2011 and who holds office upto the date of this Annual General Meeting, in terms of Section 260 of the Companies Act, 1956 and who is eligible for appointment as director of the Company. The Company has received a notice in writing under Section 257 of the Act in respect of the candidate, proposing his candidature for the office of Director of the Company. Accordingly, the Board recommends the members to appoint him as Director of the Company whose office shall be liable to retirement by rotation.

Mr. Nand Kishore Garg has voluntarily proposed to step down from the position of Managing Director of the Company and accordingly gave his resignation to the Board in its meeting held on 10th August, 2011 which was accepted by the Board of Directors. However, he proposes to continue as Non-Executive Director and Chairman of the Company.

Further, to manage the regular affairs & operations of the Company, the Board proposes to appoint Mr. Vikas Garg, an Executive Director of the Company to be appointed as Managing Director of the Company on vacancy caused due to resignation of Mr. Nand Kishore Garg from such position. Accordingly, the Board recommends the members to appoint Mr. Vikas Garg as Managing Director of the Company for the period of five years w.e.f. 10th August, 2011 on such terms & conditions including remuneration as may be agreed, from time to time, by the Board with Mr. Vikas Garg.

CAPITAL STRUCTURE

Paid-up Share Capital - During the year, the Company has converted the equity convertible warrants, which were issued on preferential basis to Mr. Vikas Garg and M/s Goodlife Impex Private Limited, into equity shares on completion of statutory & legal formalities as required and accordingly 10,00,000 equity shares and 12,50,000 equity shares (in aggregate 22,50,000) has been issued to Mr. Vikas Garg and M/s Goodlife Impex Private Limited respectively on 29th March, 2011.

Preferential Allotment - The Company has made a preferential allotment of 22,50,000 of warrants of convertible into equity shares after full payment of money. Pursuant to the same and in compliance with the guidelines of SEBI, the details of utilization of proceeds of the preferential allotment of warrant/shares is as under:

Particulars		**Amount (in Rs.)**
Total Proceed		7,20,00,000.00
Less : Utilised (As per the object of the issue) :		
Less : Share Issue Exp.	149,875.00	149,875.00
Net Proceeds		71,850,125.00
Less : General/Corporate Exp.	2,204,923.00	
Less : Working Capital	6,96,45,202.00	71,850,125.00
		Nil

LISTING OF SECURITIES

The Company Securities are listed at the Delhi Stock Exchange Limited and Bombay Stock Exchange Limited. The Annual Listing Fee including service tax for the year 2010-11 has been paid to the Stock Exchanges. The fee for the year 2011-12 has also been paid.

STATUTORY AUDITORS

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

AUDITORS' OBSERVATIONS

The notes to accounts forming part of Balance Sheet and Profit & Loss Account as at 31st March, 2011, referred to in the Auditors Report are self explanatory and do not call for any further particulars.

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. that in the preparation of Annual Accounts the applicable accounting standards had been followed along with proper explanation relation to material departures;
2. that your Directors have 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 financial year and of the Profit or loss of the Company for that period;
3. that your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that your Directors have prepared the Annual Accounts for the financial year ended 31st March 2011 on a going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion & Analysis Report for the year under review as stipulated in terms of Clause 49 of the Listing Agreement of the stock exchanges in India is presented in a separate section forming part of the Annual Report.

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is based on the principles of integrity, fairness, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organization. Vikas is committed to good governance practices that create long term sustainable shareholder value. The Company has complied with compliances as required under listing agreement of stock exchanges. As required under Clause 49 of the Listing Agreement, the report on Corporate Governance forms part of the Auditors' Report.

CASH FLOW ANALYSIS

In conformity with the provisions of the Listing Agreement, the Cash Flow Statement for the period ended on 31st March, 2011 is annexed hereto.

PARTICULARS OF EMPLOYEES

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

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

As required in terms of section 217(1)(e) of the Companies Act, 1956 read by the Companies (Disclosure of Particulars in the Report of Board of Director) Rules, 1988, the relevant data pertaining to conservation of energy, its consumption, technology absorption, research & development and foreign exchange earnings and outgo are given in the prescribed format as annexed hereto and forms an integral part of this report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Management continuously reviews the internal control systems and procedures for the efficient conduct of the Company's business. The Company adheres to the prescribed guidelines with respect to the transactions, financial reporting and ensures that all its assets are safeguarded and protected against losses. The internal auditor of the Company conducts the Audit on regular basis and the Audit Committee actively reviews internal audit reports and effectiveness of internal control systems.

Internal Control Systems are implemented to safeguard the Company's assets from loss or damage, to keep constant check on the cost structure, to prevent revenue leakage, to provide adequate financial and accounting controls and implement accounting standards.

PUBLIC DEPOSITS

During the period under review, the Company has not accepted any deposits from the public within the meaning of section 58A of the Companies Act, 1956.

CREDIT RATINGS

CRISIL

The Company has also obtained credit rating **NSIC (National Small Industries Corporation Limited) - CRISIL:** SE 1B, from CRISIL, a subsidiary of Standards & Poor's Company of USA, which is one of the leading Companies in the world and India's most influential rating agency. CRISIL ratings provide the most reliable opinions on the risk by combining its understanding of risk & the science of building risks frameworks, with a contextual understanding of business.

Risk rating of SE 1B indicates highest performance capability and moderate financial Strength.

Sr.No.	Name	City	Rating Assigned	Date Assigned	Constitution
5829	Vikas GlobalOne Ltd.	New Delhi	SE 1B	19-May-11	Others

FAIR & EXHIBITIONS

"Meet at Agra" 2010

The Agra meet of AFMCE in November, 2010 was our third participation with our full team of Marketing in TPR compound & EVA compounds. Our presence in Agra is since 2008. We met there with our regular moulders, exporters compounders and Manufacturers serving footwear industry. We also added with our standards and specification some new consumers of international standards. These consumers are serving some international brands of shoes like Zara, ID, Lee Cooper etc.

K-10 Exhibition

K-10 is the International exhibition held once in the every three year in DUSSELDORF, GERMANY. This exhibition is mainly for rubber-chemical and plastic. Our Company visited the exhibition to promote own products and to obtain export order. Most of European Companies and Asian Companies were participants of this exhibition. The Company discussed and found bright chances for Joint Venture with European Companies. This visit was very fruitful for Vikas GlobalOne Limited to explore the export opportunities and joint venture with other prosperous Companies.

ACKNOWLEDGEMENT

The Directors wish to express their grateful appreciation for assistance and cooperation received from Banks, Government Authorities, Stock Exchanges, Customers, Vendors and Members during the period under review. Your Directors also wish to place on record their appreciation for the committed services of the staff and workers of the Company.

For and on behalf of the Board of Directors

Dr. Nand Kishore Garg
Chairman & Managing Director

Place : New Delhi
Date : 10th August, 2011

MANAGEMENT DISCUSSION & ANALYSIS REPORT

OVERVIEW 2010-11

VALUE CREATION

During the year under review the Company continued with its strategy of value creation and profitable growth. The Company further ventured into new areas and explored future growth opportunities. The Company added yet another milestone during the financial year 2010-11 by successfully commencing the plant of recycled PET at Shahjahanpur, Rajasthan. This product is environment friendly and will conserve lot of energy and will convert plastic waste into useful value added PET. It has potential to earn valuable carbon credit for the Company.

The Company is setting up a plant for manufacturing Liquid Mixed Metal Stabilizers used in the Leathercloth and Calendaring Industry at its Shahjahanpur, Rajasthan Plant.

The Company has also done pre REACH registration for two of its prime products viz. “TINMATE” - Methyl Tin Mercaptide and “ADD FLEX”- Epoxidized Soya Bean Oil for exporting these to European Countries. Trial order has already been booked from a leading distribution company of Spain and exports will commence soon.

ECONOMY OVERVIEW & GROWTH

The biggest threat to the growth of the Indian Economy in the year 2010-11 is raising inflationary pressure. Faced with the persistent rise in prices, the RBI raised interest rates 10 times between March, 2010 to June, 2011. Even though the year was marked by rising pricing mainly of food items and petroleum products and thus, the impact spilled over to the rest of the economy with commodities and manufactured goods prices also showing an upward trend. The inflationary pressure in India is being fed mainly by supply shortages of Global crude price and other commodities.

During the year under review, the Indian Economy recorded a growth of around 8.5 percent as compared to 7.2 percent in the earlier year. Further, it is expected that the growth for 2011-12 to be in the range of 8.75 percent to 9.25 percent in 2011-12, however, with inflationary pressure has its impact on the growth and therefore by middle of the year the growth rate for the year is expected to be lower than the target for the year.

The global economic environment in 2011 is likely to be better than 2010. China and India would strive to become more self reliant on feed stocks and polymers. Further, the growth has been achieved through its various large scale projects and setting benchmarks in respect of product quality, standards and services.

GLOBAL CONSUMPTION & DEMAND SCENARIO

Your Company’s products i.e. specialty additives and compounds fine use mainly in the manufacturing of polymer based products and Company’s trading products i.e. Polymers and Elastomers are also in demand from similar industry. Industry outlook of Polymer Industry thus guide the future of your Company.

Polymers

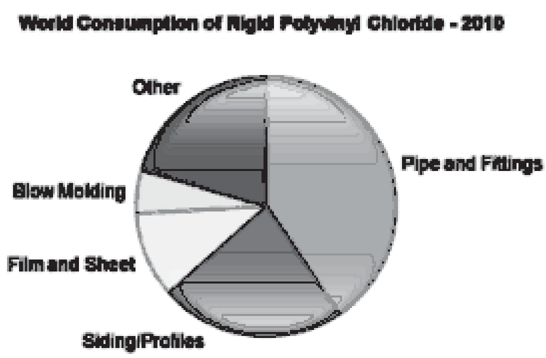
Polymers have found usage in all spheres of life with demand for better materials, greater functional use, more economical packaging and versatile and durable all-weather products. The per capita consumption of polymers in India is around 7.4 kg in 2010 from 4.6 kg in 2005. The average per capita global consumption of polymers is estimated to be about 17 kg. The plastic and polymer industry has been expanding at a rate of 11% a year. Presently the consumption/demand is estimated at around 5.5 million tones. The demand estimates for all polymers including engineering polymers are projected at close to 14 million tones by 2014-15. India is one of the fastest growing polymer market in the world, and is expected to become the world’s third largest polymers market, after the US and China, within a decade. The significant domestic demand growth is expected from the user industries such as telecom, food and beverages, packaging, transportation and consumer durables, and from continued substitution of traditional materials like wood, metal, glass.

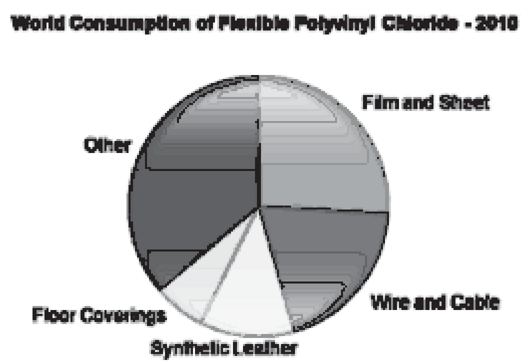
PVC

Polyvinyl chloride (PVC) constitutes the second-largest thermoplastic polymer manufactured worldwide after polyethylene. Though the PVC market is back on its growth trajectory after experiencing collapsed demand in several markets, overall performance is expected to remain anemic over the short term as the industry struggles to emerge from problems such as sluggish recovery in the construction sector, lingering overcapacity and thinning operating margins.

PVC is also known as an 'infrastructure plastic' with the construction market accounting for about 60% of total demand. Developing countries in Asia-Pacific and the Middle East hold the best prospects for PVC in the long term. Among these, China and India represent the most promising markets due to large population size and infrastructural development initiatives. India is expected to witness an increase in demand due to the growth in infrastructure and packaging sectors. China represents the fastest growing market for PVC with a projected CAGR of 4.7% during the analysis period. In Russia and Ukraine, demand for vinyl continues to grow due to increased demand from the construction industry, regardless of the economic slowdown in the region. Higher growth rates are also anticipated in Middle East and Eastern Europe with contribution from the oil industry. Latin America is another region, which holds bright prospects for PVC growth during the forecast period owing to increase in construction activity.

The following pie charts show world consumption of flexible PVC and rigid PVC by end use:





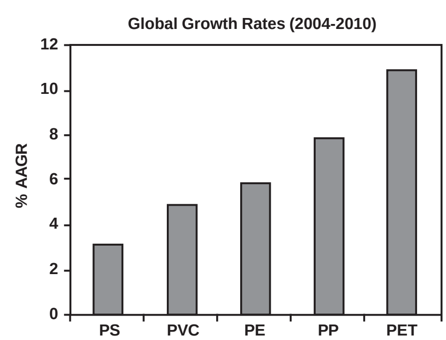
PLASTIC & POLYMER CONSUMPTION

World-wide, the plastics and polymer consumption will have an average growth rate of 5% and it will touch a figure of 227 million tons by 2015. Globally, it is projected that PET (Bottle grade) will have the highest growth rate of about 11% AAGR (Annual Average Growth Rate).

The AAGR amongst all polymers, followed by PET, PP, PE, PVC and PS in the descending order, as depicted in the Figure.

GROWTH OF PLASTIC INDUSTRY IN THE COUNTRY

India's burgeoning middleclass is driving the demand for plastic and plastic products and today the sector is one of the fastest growing in the Indian economy. In India, the healthy growth in the packaging sector will boost demand for extruded plastic products. At present extrusion process accounts for nearly 70 percent of plastics processing, while injection and blow moulding account for 20 and 5 percent respectively.



Following are some of the notable facts:

- India's plastic industry is about 0.5% of India's GDP;
- The export of plastic products yields about 1% of the domestic exports;
- 50% turnover of the plastic industry is derived from the small scale companies where it has a large presence;

- Production of the plastic provides employment to an estimate of about 0.4 million people in the country;
- The processing of the plastic products involve approximately Rs 100 billion as an investment in the form of fixed assets;
- 20% of the industry turnover comes from small scale enterprises;
- Only 10 to 15% of the total market players can be categorized as medium scale enterprises.

INDIAN PLASTICS INDUSTRIES – PERSPECTIVE

Plastic polymers are classified into thermoplastics and thermosettings. Thermoplastics include elastomers (unvulcanised), polyvinyl chloride (PVC), polyethylene (PE), polystyrene (PS), polyurethane (PU) and other resins. Thermosettings include elastomers (vulcanized), polyethylene (crosslinked), phenolics, alkyds, polyesters. The product variation includes PVC 21%, HDPE 25%, LDPE 5%, PS 5%, PP 33%, LLDPE 8% and ABS 3%.

Over the years, India has made significant progress in the industrial world with healthy economic growth. On purchase power parity basis, it is one of the top five global economics and is expected to be the third largest by the turn of this decade. Plastics, one of the fastest growing industries in India, have a vital role to play. Indian Plastics Industry is expanding at a phenomenal pace. Major international companies from various sectors such as automobiles, electronics, telecommunications, food processing, packing, healthcare etc. have set-up large manufacturing bases in India. Therefore, demand for plastics is rapidly increasing and soon India will emerge as one of the fastest growing markets in the world.

The next two decades are expected to offer unprecedented opportunities for the plastic industry in India. This would necessitate industry initiatives to foster investments, grow the market, upgrade quality standards, enhance global participation, encourage Indian industry, to adopt and adapt to world class technology and manufacturing practices.

Indian plastics industries are enthusiastic about the acceleration of the growth engine in the next 3 to 5 years due to capacity expansion of existing petrochemical complexes and setting up of new crackers in the country currently.

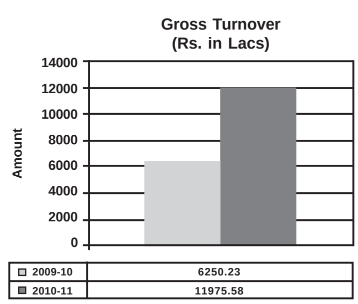
Domestic Demand for petrochemicals is expected to grow at a CAGR of 10 – 11 % driven by polymers HDPE, LLDPE, PP and PVC. Despite capacity additions, domestic polymer deficit is expected to continue at current levels, mainly on account of under capacity of PVC, thus, offering greater avenues to the company for further expansion through capacity building and thus, increasing overall revenue and profitability of the company, in same spirit, your company is already searching for strategic locations to add new plants.

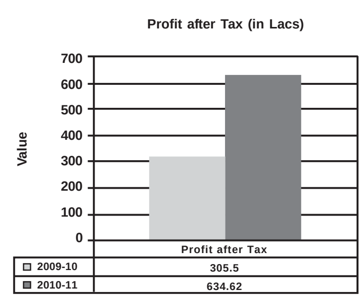
For the plastic business perspective, Gujarat and Maharashtra appear attractive based on availability of raw materials, conducive environment and policy support for investments. Your Company had already entered in the State of Gujarat through acquisition of land and shall target to complete setting-up and commissioning of plant by end of 2013. Further, the Company is also looking to acquire some existing plant in the state of Gujarat and Maharashtra or enter into a strategic joint venture to add new products to the kitty of the company through same.

FINANCIAL PERFORMANCE

Financial performance has been given separately in the Director's Report.

The Company is able to maintain its increasing trend in profitability. During the year under review, the Company achieved the gross turnover during the year under review (FY 2010-11) was Rs. 11,975.58 Lacs as against Rs. 6,250.23 Lacs in the previous year (FY 2009-10). The Profit after Tax during the year under review was Rs. 634.62 as against Rs. 305.50 in the previous year.





CAUTIONARY STATEMENT

Statements in the Management Discussion & Analysis Report seek to describe the Company's objectives, projections, estimates, expectations or predictions may be considered to be "forward looking statements" within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however differ materially from those express or implied. Important factors that could make the difference to the Company's operations include global and Indian political conditions.

ANNEXURE 'A' TO DIRECTOR'S REPORT

Information as per section 217 (1) (e) read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Director's Report for the year ended 31st March, 2011:

CONSERVATION OF ENERGY

- The Company shall continue its endeavour to improve energy conservation and utilization.
- Total energy consumption and production as per Form – A of the annexure to the Rules.

Form A for disclosure of particulars with regard to conservation of energy:

Power & Fuel Consumption

Electricity	**2010-2011** (Rs. In lacs)	**2009-2010** (Rs. In lacs)
Purchased	51.12	14.13
Through own generation	25.11	17.81

Consumption per unit of production

Product	**Electricity (Units)**		**Own Generation (Units)**	
	2010-2011	**2009-2010**	**2010-2011**	**2009-2010**
Calcite Powder & Other materials (Per M.T.) and Soya Bean Oil	1.40	0.027	1.65	0.028
ESBO	2.98	—-	3.01	—-
Heat Stablizer (TINMATE-201)	0.96	—-	1.04	0.28

TECHNOLOGY ABSORPTION

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

Research & Development (R & D)

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

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

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

(c) **Future Plan of Action/Expansion Plans**

As the relevant industry is gearing up to cater to the growing demand, Vikas GlobalOne Limited, is all set to expand their business in a big way in the coming years. The Company has targeted impressive growth plans by increasing the production capacities of the plants and is making continuous additions to the capacities of its marketing and distribution set up. The Company is all set to establish two new plants at different locations. The Company has massive investment plans in the coming time. These investments shall not be limited to India. Further, the Company is poised to effectively market whatever it produces.

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

Chlorinated Parrafin Wax Plant

The Company proposed to put a project to manufacture 30,000 MT/annum of Chlorinated Paraffins (CP) at Dahej, Gujarat. The Company had applied to Gujarat Industrial Development Corporation (GIDC) specifying the strategic advantages for putting the project at Dahej specified below along with the detailed project report in this regard:

1. There already exists a sizeable market in the Western region of which Dahej is a part;
2. Chlorine is a major raw material for this product. The installed capacity and availability of chlorine in and around Dahej is fairly large and project will not suffer due to non availability of this raw material;
3. The availability of Normal Paraffins in India is limited and it will not be possible to run this project based on domestic availability. A large number of requirements will have to be imported. Dahej has locational advantage for import of Normal Paraffins etc.

   Accordingly, the GIDC has made an offer-cum-allotment to the Company for the purpose of set up a unit for manufacturing of Chlorinated Paraffins Wax Hydrochloric Acid at Dahej-2 Industrial Estate, Distt. Bharuch, Gujarat.

TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

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

Earnings : Rs. 1,708,560

Outgo : Rs. 341,229,549

ANNEXURE 'B' TO DIRECTOR'S REPORT

Financial details of Subsidiaries pursuant to the approval under Section 212(8) of the Companies Act, 1956 (Financial Year ended 31st March, 2011)

(Rupees in Lacs)

Name of the Subsidiary	Moonlite Technochem Private Limited	Sigma Plastic Industries (Partnership Firm)
Capital	30.70	561.72
Reserve	247.53	Nil
Total Assets	2308.72	1280.93
Total Liabilities (Loans+Current Liabilities)	2035.48	719.21
Investment (Except in case of investment in subsidiaries)	5.00	Nil
Turnover (Including other income)	4839.86	2303.03
Profit (Loss) before Taxation	19.07	394.48
Provision for Taxation	6.81	Nil
Profit (Loss) after Taxation	12.26	394.48
Proposed Dividend	Nil	Nil

Notes:

1) The Company hereby undertakes that Annual Accounts of the above said Subsidiaries and related information will be made available to the holding and subsidiaries investors seeking such information at any point of time.

2) The Annual Accounts of the above said Subsidiaries are ready for inspection by any investors at the head office of the Company and that of the subsidiary's office.

For and on behalf of the Board of Directors

Dr. Nand Kishore Garg
Chairman & Managing Director

Place: New Delhi
Date: 10th August, 2011

REPORT ON CORPORATE GOVERNANCE

The initial analysis of the Corporate Governance focuses on the duty of Board of Directors, its executives and the shareholders. Our Corporate Governance policy aims to build the relationships among the many stakeholders involved and the goals for which the Company is governed. The Long-term interests of the stakeholders are served by continuous adherence and enforcement of the principles of good corporate governance. Key elements of good corporate governance principles include honesty, trust and integrity, openness, performance orientation, responsibility and accountability, mutual respect, and commitment to the organization.

The principles of corporate governance emerge as the cornerstone of the Company's governance philosophy. To keep pace with an evolving global environment, the Company continuously innovates and adapts governance practices to meet new demands. This ensures efficient conduct of the affairs of the Company, which in turn helps the Company achieve its goal of maximizing value for all its stakeholders.

Also the Company's governance philosophy is based on the fair and transparent disclosure of issues related with the Company's business, financial performance, and other matters of stakeholders' interest. Our corporate governance policy is based on the following principles:

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

BOARD OF DIRECTORS

The composition of Board of Directors of the Company is governed by the provisions of the Companies Act, 1956 and the Listing Agreement with the Stock Exchanges. The Company's policy is to maintain an optimum combination of Executive and Non-Executive Directors. As on 31st March, 2011, the Company has 8 (Eight) Directors with an Executive Chairman. Out of the 8 (Eight) Directors, 5 (Five) are Non-Executive Directors and 3 (Three) are Executive Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreements entered into with the Stock Exchanges.

Composition and the category of the Directors as on 31st March, 2011 are as follows:

S.No.	Name of Director	Designation	Position	Date of Appointment
1.	Nand Kishore Garg	Chairman & Managing Director	Promoter-Executive	30.11.1984
2.	Brij Behari Tandon	Director	Independent-Non Executive	25.07.2008
3.	Pradip Kumar Banerji	Director	Independent-Non Executive	25.07.2008
4.	Purushottam Dass Bhoot	Director	Independent-Non Executive	20.07.1994
5.	Sumer Chand Tayal	Director	Independent-Non Executive	07.07.2006
6.	Mukesh Aggarwal	Director	Independent	25.07.2008
7.	Vikas Garg	Director	Promoter-Executive	15.06.1992
8.	Vivek Garg	Director	Promoter-Executive	25.07.2008

DIRECTORS PROFILE

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

Mr. Nand Kishore Garg aged 63 years is M.Sc., LLB, Ph.D. He holds the position of Chairman and Managing Director of the Company and takes care of the complete plant operation, production planning and its execution. He is providing the strategic direction to the Company in the field of trading of chemical and PVC component. He is having experience of more than 37 years in the field of trading of Chemical and PVC components.

He is also very active in the field of education and Director in Bharat Prakashan (Delhi) Limited.

Mr. Brij Behari Tandon aged 70 years is M.A. (Economics) and LLB from the University of Delhi. He has also obtained Associate certificate from Indian Institute of Bankers in respect of subjects of co-operation and Industrial finance.

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

At present Mr. B. B. Tandon is on the Board of Ambience Ltd., Adani Power Ltd., ACB (India) Ltd., Bhushan Steel Ltd., Birla Corporation Ltd., Dhampur Sugar Mills Ltd., Exicom Tele-Systems Ltd., Filatex India Ltd., Jaiprakash Power Ventures Ltd., Jaypee Infratech Ltd., Lanco Anapara Power Ltd., Oriental Carbon & Chemicals Ltd., Precision Pipes & Profiles Ltd. and VLS Finance Ltd. etc.

He is also Chairman of Remuneration Committee of the Company.

Mr. Pradip Kumar Banerji aged 69 years is post graduate in economics from Lucknow University. He has held important positions with the Government of India. He also acted as Financial Secretary to Government of India (Insurance and External Finance). He has vast experience of handling multilateral agencies like World Bank, Asian Development Bank, IFC, European Union, ICAO etc. He has also been awarded Padma Shri in 1972 for his outstanding public service. Also he has been awarded Medal of Honor by the Soviet Chamber of Commerce and Industry in 1984.

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

At present he is on the Board of Alankit Assignments Ltd. and GTFS Multi Services Ltd.

The Company is benefitted by his Global connections and financial analytical capability, which includes feasibility study for the new project. He is the Chairman of the Risk Management Committee and member of Remuneration Committee of the Company.

Mr. Purushottam Dass Bhoot aged 82 years is a Law Graduate and Company Secretary. He has a vast experience in handling legal and secretarial assignments during his association with Bazaloni Groups Ltd. He is also on the board of Jindal India Ltd. He is providing a valuable support in Legal and Secretarial matters of the Company since 1994. He is one of the member of the Audit Committee of the Company.

Mr. Sumer Chand Tayal aged 67 years is a Civil Engineer. He during his association with Delhi Development Authority has gained rich experience in Materials Management for executing various construction /Development Projects. He is on the board of the company since 2006 and is advising the company on various projects under real estate Segment and plays a major role toward execution of new projects of the Company. He also holds directorship in Moonlite Footcare Pvt. Ltd.

He is also acting as a Chairman of Shareholder Grievance Committee, a member of Equity Warrant Committee and member of Audit Committee of the Company.

Mr. Mukesh Aggarwal aged 46 years is a fellow member of the Institute of Chartered Accountants of India and having vast knowledge of finance. He has in-depth knowledge in the financial sector and can provide valuable support to strengthen the operational management of the Company.

He also holds directorships in Acropolis Consulting Private Ltd.

He is also the Chairman of Audit Committee and member of Shareholders Grievance Committee, Risk Management Committee, Remuneration Committee and Equity Warrant Committee of the Company.

Mr. Vikas Garg aged 38 years is a Commerce Graduate from Delhi University. He holds the directorship in the Company since 1992-93 and has rich experience of more than 10 years in the line of plastics and chemicals. He spearheaded the Group's diversification into plastics and chemicals and has been instrumental in getting distributorship rights from various global giants. He is taking care of the finance and marketing operations of the Company.He also holds directorship in Vikas Polymerland Pvt. Ltd.

He is a member of Risk Management Committee and Remuneration Committee.

Working hands-on Mr. Vikas Garg has set up plant for the production of Tin Mate and Add Flex, the first manufacturing facility for the product in India.

Mr. Vivek Garg aged 36 years is a Commerce Graduate having in-depth knowledge of the industry. He is supervising the operations of the Company pertaining to Real estate segment. He is also a Member of Shareholder Grievance Committee and Equity Warrant Committee of the Company.

MEETINGS OF THE BOARD

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

During the Financial Year 2010-11, 4 (Four) Board meetings were held. The maximum gap between two Board Meetings was less than four months ensuring compliance with Clause 49 of the Listing Agreement of Stock Exchanges and the Companies Act, 1956. Below mentioned table specifies the dates on which the board meetings were held:

DETAILS OF BOARD MEETINGS

S. No.	Date of Board Meeting (During the financial year 2010-11)
1	29th May, 2010
2	31st July, 2010
3	12th November, 2010
4	10th February, 2011

Following are the details of attendance of Directors at the aforesaid Board Meetings held during the financial year 2010-11.

Name of Directors	No. of Board meetings held during the tenure of the directors	No. of Board meetings attended
Nand Kishore Garg	4	4
Brij Behari Tandon	4	4
Pradip Kumar Banerji	4	3
Purushottam Dass Bhoot	4	2
Sumer Chand Tayal	4	3
Mukesh Aggarwal	4	3
Vikas Garg	4	4
Vivek Garg	4	3

BOARD LEVEL COMMITTEES

I. Audit Committee

The Audit Committee has been mandated with the same terms of reference as specified in Clause 49 II of the Listing Agreement with the Stock Exchanges. The present terms of reference also fully conform to the requirement of Section 292A of the Companies Act, 1956.

The Audit Committee reviews with the management and also with the statutory and Internal Auditors, all aspects of the financial results, effectiveness of internal audit/processes, taxation matters and other key areas. The Audit Committee also recommends the appointment and remuneration of the Internal Auditors and Statutory Auditors to the Board, considering their independence and effectiveness.

The Composition, Category record during the year is as under:

S.No.	Name of the Members	Designation	Category
1	Mukesh Aggarwal	Director	Chairman
2	Sumer Chand Tayal	Director	Member
3	Purushottam Dass Bhoot	Director	Member

The Company Secretary, Mr. Aditya Narayan Singh acts as the secretary to the committee.

The scope of activities of Audit Committee includes the following:

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

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

- Management Discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions submitted by the management.
- Internal Audit Reports
- Appointment, removal and terms of remuneration of the Internal Auditors.

II. Shareholder Grievance Committee

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

The Composition record during the year is as under:

S. No.	Name of the Members	Designation	Category
1	Sumer Chand Tayal	Director	Chairman
2	Vivek Garg	Director	Member
3	Mukesh Aggarwal	Director	Member

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

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

Mr. Aditya Narayan Singh, Company Secretary acts as the secretary to the Committee.

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

- Orchestrate efficacious system in consonance with statutory guidelines to ensure speedy disposal of requests/ grievance received from shareholders.
- Oversight over the redressal of shareholders and investor complaints e.g. transfer of shares, non receipt of balance sheet, non receipt of declared dividend etc.
- Dwell in greater depth on the issues of investors' complaints and grievances.
- Analytical and comprehensive review of the reports submitted by Registrar & Share Transfer agents of the Company,
- Review the company report on the functioning of said investor grievances redressal machinery.
- Follow up implementations of suggestions for improvement.
- Authorize Issue of duplicate certificates in place of original certificate.
- Approve and effect transmission of shares arising as a result of death of the sole/ any one joint shareholder.
- Regular review of statutory guidelines, quality and best in class practices of the grievance redressal system to ensure its continuing efficacy and thereby enhancing shareholders' satisfaction.
- Periodically report to Board about serious concerns, if any.

Status of Investor Complaints as on March 31, 2011 and reported under Clause 41 of the Listing Agreement are as under:

Complaints as on April 1, 2010	:	Nil
Received during the year	:	Nil
Resolved during the year	:	Nil
Pending as on March 31, 2011	:	Nil

Name, Designation and address of Compliance Officer: Mr. Aditya Narayan Singh, Company Secretary:

Compliance Officer
Mr. Aditya Narayan Singh
Company Secretary
Vikas House, 34/1, East Punjabi Bagh,
New Delhi-110026

III. Risk Management Committee

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

The Composition record during the year is as under:

S. No.	Name of the Members	Designation	Category
1	Pradip Kumar Banerji	Director	Chairman
2	Mukesh Aggarwal	Director	Member
3	Vikas Garg	Director	Member

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

- Ensure that the identification and evaluation of key risks that threaten achievement of the company's objectives is carried out, and that a register of these risks is maintained.
- Monitoring and managing the credit risk, market risk, operational risk, macro economic risk and other risk of the company.
- Review and assess the quality, integrity and effectiveness of the risk management framework with a view to ensure that the risk policies and strategies are efficaciously and effectively operated.
- Ensure implementation of an effective ongoing process to identify risk, measure potential impact and activate what is necessary to pro-actively manage risks, and decide the company's appetite or tolerance for risk.
- Ensure that a systematic, documented assessment of the processes and outcomes surrounding key risks is undertaken periodically (at least annually) for the purpose of assessing the efficacy of risk management.
- Oversee formal reviews of activities associated with the effectiveness of risk management and internal control processes.
- Monitor external developments relating to the practice of corporate accountability and the reporting of specifically associated risk, including emerging and prospective impacts
- Report regularly to the Board and Audit committee on risk areas and measures to mitigate it.
- Contribute to raising awareness of risk across the company and to maintaining the profile of risk management.
- Address such other matters related to risk as may arise from time to time.

IV. Remuneration Committee

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

The composition of committee during the year is as under:

S. No.	Name of the Members	Designation	Category
1	Brij Behari Tandon	Director	Chairman
2	Pradip Kumar Banerji	Director	Member
3	Mukesh Aggarwal	Director	Member
4	Vikas Garg	Director	Member

Scope of Remuneration Committee:

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

V. Equity Warrant Committee

During the year, the Board of Directors through resolution by circulation has constituted the Equity Warrant Committee.

The composition of committee during the year is as under:

S. No.	Name of the Members	Designation	Category
1	Mukesh Aggarwal	Director	Chairman
2	Sumer Chand Tayal	Director	Member
3	Vivek Garg	Director	Member

The Equity Warrant Committee has been constituted for the purpose of better corporate governance and for smooth operations of conversion of equity convertible warrants, which were allotted on 12th November, 2010 issue and allotment of resultant Equity Shares.

The quorum for a meeting of Equity Warrant Committee, duly convened and held, shall be one third of the total number of members or two members, whichever shall be higher.

The Equity Warrant Committee will be authorized to convert the convertible warrants, issue and allot resultant equity shares, subject to such conditions or modifications that may be imposed, required or suggested by the Securities & Exchange Board of India (the SEBI), Stock Exchange(s) or other authorities and to settle all questions or difficulties that may arise with regard to the aforesaid in such manner as it may determine in its absolute discretion and to take such steps and to do all such acts, deeds, matters and things as may be required, necessary, proper or expedient.

DISCLOSURES

- **Details on materially significant related party transactions**

  There are no materially significant related party transactions during the year that have potential conflict with the interests of the Company at large. Other related party transactions are given in the Schedules annexed to and forming part of the accounts for the year ended March 31, 2011.

- **Disclosure of Accounting Standards in preparation of financial statements**

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

- **Details of non compliance by the Company, penalties, strictures, imposed on the Company by the Stock Exchange or SEBI**

  The Company has complied with the requirements of listing agreements of Stock Exchanges. Consequently, no non-compliance or penalties imposed on your company by Stock Exchanges or SEBI or any statutory authority or any matter related to capital markets during the year.

- **Whistle Blower Policy**

  Your Company has adopted a Whistle Blower Policy which is permanently posted on the Company's intranet. All issues raised under the Whistle Blower Policy are directly reported to the Chairman of the Company's Audit Committee and no personnel has been denied access to the Audit Committee.

- The Company has complied with all the mandatory requirements and most of the non-mandatory requirements specified in the revised Clause 49 of the Listing Agreement.

SECRETARIAL AUDIT

- Pursuant to clause 47 (c) of the Listing Agreement compliance certificates on half yearly basis have been issued by Company Secretary in practice for due compliance of share transfer formalities by the Company.
- A qualified practicing Company Secretary carried out the Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital.

MEANS OF COMMUNICATION

Half Yearly & Quarterly Results

The Company regularly intimates the Stock Exchanges regarding the Audited Financial Results as well as the Unaudited Financial Results for every quarter of the Company. The results of the Company are published in one English and one Hindi newspaper as per the requirement of Clause 32 the Listing Agreement with the Stock Exchanges.

Annual Report

Annual Report containing inter alia Audited Annual Accounts, Director's Report, Auditors' Report and other important information is circulated to members and others entitled thereto.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

GENERAL INFORMATION FOR MEMBERS

Annual General Meeting Details

Date	28th September, 2011
Venue	Haryana Maitri Bhawan, Pitampura, New Delhi-110034
Time	11:30 A.M.
Book Closure Dates	22nd September, 2011 to 28th September, 2011
Dividend Payment Date	On or after 28th September, 2011

Registrar & Share Transfer Agent (RTA)

Alankit Assignments Limited
Alankit House, 2E/21, Jhandewalan Extension,
New Delhi-110055

Address for Correspondence

1. Company Secretary
   Vikas GlobalOne Limited
   Vikas House, 34/1, East Punjabi Bagh,
   New Delhi-110026

2. Registrar & Share Transfer Agent
   Alankit Assignments Limited
   Alankit House, 2E/21, Jhandewalan Extension,
   New Delhi-110055

Compliance officer

Mr. Aditya Narayan Singh, Company Secretary, is the Compliance Officer under Clause 47 of the Listing Agreement with Stock Exchanges.

Dematerialization of Shares and Liquidity

The Shares of the Company are required to be traded in dematerialized form and are available for trading under both the Depository Systems in India- NSDL and CDSL. The International Securities Identification Number (ISIN) allotted to the Company's Shares under Depository System is INE806A01012. The Annual Custody fee for the financial year 2011-12 has been paid to NSDL and CDSL, the Depositories.

In the Company, 69.76 % (percent) of shares of the Company have been dematerialized as on 31st March, 2011.

Listing of Shares on Stock Exchanges

The Delhi Stock Exchange Limited, DSE House, 3/1, Asaf Ali Road, New Delhi-110 002

Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001

Scrip Code

The Bombay Stock Exchange Limited: 530961

Financial Calendar

Financial Year 2010-2011	
First Quarter Result	June, 2010
Second Quarter and Half-Year Results	September, 2010
Third Quarter Results	December, 2010
Fourth Quarter and Annual Results	March, 2011

General Body Meetings

Details of last three Annual General Meetings were held at:

Financial year Date	Time	Venue
Saturday, the 6th December, 2008	11:30 A.M.	Haryana Maitri Bhawan, Pitampura, New Delhi
Tuesday, the 25th August, 2009	11:30 A.M.	Haryana Maitri Bhawan, Pitampura, New Delhi
Saturday, the 28th August, 2010	11:30 A.M.	Haryana Maitri Bhawan, Pitampura, New Delhi

The following **Special Resolutions** were passed in the last Annual General Meeting:

(I) Increase in borrowing powers of the Company

(II) To approve further issue of Equity Shares / Convertible Warrants or any other Securities on preferential basis or otherwise as may be decided by the Board.

Postal Ballot

An Ordinary Resolution with the consent of the Shareholders, under Section 293(1)(a) of the Companies Act,1956 relating to Sale, Lease or otherwise disposal (deemed) of the undertaking of the Company, passed on 29th March, 2011, through Postal ballot.

Depository Services

Shareholders may write to our RTA or to their respective Depositories for guidance on depository services.

Address for Correspondence with Depository

National Securities Depository Limited
Trade World, “A” Wing, 4th floor, Kamala Mills Compound
Senapati Bapat Marg, Lower parel, Mumbai-400 013
Telephone: 022-24994200
Facsimile: 022-24976351
E-mail: info@nsdl.co.in
Website: www.nsdl.co.in

Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers
17th Floor, Dalal Street, Mumbai-400 001
Telephone: 022-22723333
Facsimile: 022-22723199/ 22722072
E-mail: investor@cdslindia.com
Website: www.cdslindia.com

Share Transfer System

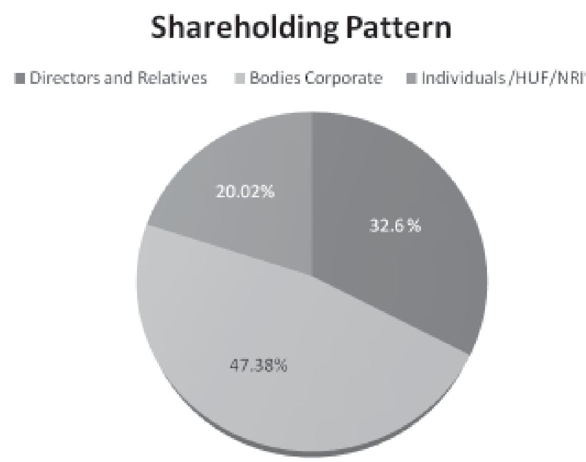
Shares lodged with the Registrar’s office are usually processed within 15 days from the date of lodgement, if the documents are clear in all respects. All requests for dematerialization of securities are processed and confirmed within 15 days.

Distribution of Shareholding as on 31st March, 2011

Shareholding of nominal value			Share/Debenture holders		Share/ Debenture Holding	
In Rs.			Number	%age	Shares	%age
1	To	5000	601	73.92	945880	0.94
5001	To	10000	72	8.86	595030	0.59
10001	To	20000	34	4.18	564780	0.56
20001	To	30000	17	2.09	429180	0.42
30001	To	40000	11	1.35	380510	0.38
40001	To	50000	13	1.60	605840	0.60
50001	To	100000	15	1.85	1085190	1.07
100001	To	Above	50	6.15	96432960	95.44
Total			**813**	**100.00**	**101039370**	**100.00**

Shareholding Pattern as on 31st MARCH, 2011

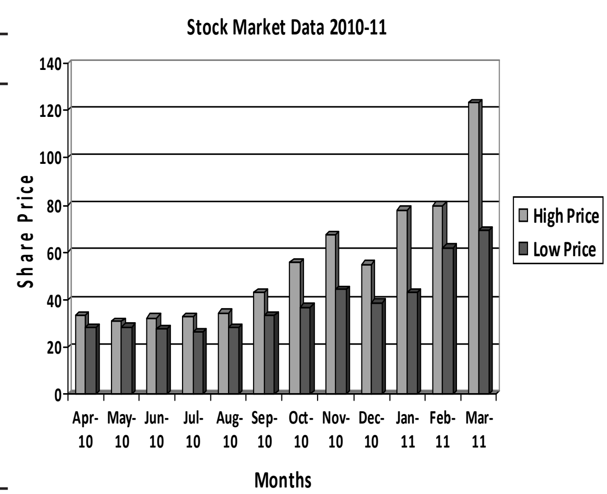
	Category	Number of Shares	Percentage of Holding
(A)	PROMOTERS		
	Directors and Relatives	3293636	32.60
	Bodies Corporate	1032963	10.22
	Total (A):	**4326599**	**42.82**
(B)	PUBLIC SHAREHOLDING		
	Bodies Corporate	3754341	37.16
	Individuals /HUF/NRI's	2022997	20.02
	Total (B)	**5777338**	**57.18**
	GRAND TOTAL (A+B)	**10103937**	**100**



Stock Market Data

The stock market data for the year are as follows:

Month	High Price	Low Price
April 2010	33.50	28.50
May 2010	31.00	28.55
June 2010	32.45	27.80
July 2010	32.95	26.50
August 2010	34.50	28.30
September 2010	43.00	33.60
October 2010	55.85	37.00
November 2010	67.60	44.40
December 2010	55.00	39.05
January 2011	78.00	43.15
February 2011	80.00	61.85
March 2011	123.00	69.45



ANNEXURE TO THE REPORT OF THE DIRECTORS

CERTIFICATE OF COMPLIANCE FROM AUDITOR AS STIPULATED UNDER CLAUSE 49 OF THE LISTING AGREEMENT OF THE STOCK EXCHANGES IN INDIA

To the members of VIKAS GLOBALONE LIMITED

We have examined the compliance of conditions of Corporate Governance by Vikas GlobalOne Limited (the Company) for the year ended 31st March, 2011, as stipulated Clause 49 of the Listing agreement of the Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to explanations given to us, and the representation made by the Directors and the management. We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned in Clause 49 of Listing Agreement.

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

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

For M/s RSPH & Associates
(Formerly R. K. Batra & Company)

Tarun Batra
Partner
Membership No. 94318

Place : New Delhi
Dated : 10th August, 2011

DECLARATION BY THE CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT

I, Mr. Nand Kishore Garg, responsible for the finance function certify that:

a) I, have examined the financial statement and the cash flow statement for the year ended 31st March, 2011 and to the best of our knowledge and belief:

   i) These statements do not contain any materially untrue statement or omit any material fact or contain statement 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) To the best of our knowledge and belief, no transaction entered into by the Company during the year ended 31st March, 2011 are fraudulent, illegal or violative.

c) I accept responsibility for establishing and maintaining internal control for financial reporting and I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and audit committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.

d) i) There has not been any significant change in internal control over financial reporting during the year.

   ii) There has not been any significant change in accounting policies during the year, requiring disclosure in the notes to the financial statements: and

   iii) I, am not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For Vikas GlobalOne Limited

Dr. Nand Kishore Garg
Chairman & Managing Director

Place: New Delhi
Date: 10th August, 2011

AUDITORS' REPORT

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

1. We have audited the attached Balance Sheet of ***M/s. Vikas Globalone Limited*** as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments, we report that:-
   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;

   (c) The Balance Sheet, Profit Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

   (d) In our opinion the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards, referred in sub-section (3C) of section 211 of the Companies Act, 1956;

   (e) On the basis of the written representations received for the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

   (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India:

      (i) In so far as it relates to Balance Sheet, of the state of affairs of the company as at 31st March, 2011;

      (ii) In so far as it relates to the Profit and Loss Account, of the ***Profit*** of the Company for the year ended on that date; and

      (iii) In so far as it relates to the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Place : Delhi
Date : 10.08.2011

For R S P H & Associates
(Chartered Accountants)
Firm Reg. No 003013N

Tarun Kumar Batra
FCA, M No 094318
(Partner)

Annexure to the Auditors' Report

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

2. The fixed assets have been physically verified by the management at all location at reasonable intervals. No material discrepancies between book records and the physical inventories have been noticed on such verifications.

3. The Inventories has been physically verified at reasonable intervals by the management. In our opinion and according to information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. On the basis of examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on such physical verification of inventory as compared to book records were not material which have been properly dealt with.

4. (a) The company has taken unsecured loans during the year from any companies, firms and other parties covered in the Register maintained under section 301 of the Companies Act, 1956 and also repaid the same during the year under consideration.

   (b) The Company has not granted any unsecured loan to company covered in the register maintained under section 301 of the Companies Act, 1956.

5. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate in the size of the company and the nature of its business for purchase of inventory and fixed assets and on the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls. We have not observed any failure on the part of the Company to correct major weakness in internal control.

6. (a) Based on audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transaction that needs to be entered into the register maintained under section 301 of Companies Act, 1956 have been so entered.

   (b) According to information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at relevant time.

7. In our opinion and according to information and explanations given to us, the company has not accepted any public deposit during the year under consideration. Otherwise the Company has complied with the provisions of sections 58A and 58AA of the Company, 1956 and rules framed there under. We have been informed that no order has been passed by the Company Law Board or national company law tribunal or Reserve Bank of India or any court or any Tribunal in this regard.

8. As per information and explanations given to us, the Central Government has not prescribed for maintenance of the cost records under Section 209(1)(d) of the Act for the products of the Company.

9. In our opinion the company has an internal audit system commensurate with the size and nature of its business.

10. According to information and explanations given to us the company is depositing with appropriate authorities, undisputed statutory dues including provident fund , investor education fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, Cess and other statutory dues to the extent applicable to it. There are no undisputed demands in respects of income tax, sales tax, service tax, excise duty, cess and other statutory dues payable for a period of more then six months from the date they become payable as at 31st March'2011 except a Vat Disputed amount of Rs 0.88 Lacs and Custom Duty disputed of Rs 5.33 Lacs and Income Tax demand of Rs 31.44 Lacs in the case of Vikas Utilities Private Limited which was merged

with Vikas Globalone Limited on amalgamantion. Delay has been observed in deposit of the Service Tax, TDS, ESI and PF with respective authorities during the year under consideration.

11. Based on the audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institution, bank or debenture holder.

12. Based on our examination of the records and evaluations of the related internal controls, we are of the opinion that there is no such transaction and contracts relating to shares, securities and other investment dealt in by the company in relation to which proper records are required to be maintained.

13. The company has not given any guarantee for loans taken by others from banks or financial institutions, the terms and conditions there of are not *prima facie* prejudicial to the interest of the company.

14. During the year term loan has been taken by the company.The same has been utilized for the purpose for which it has been taken.

15. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the company we report that the company has not utilized funds raised on short- term basis for long-term investment.

16. The company has made preferential allotment of 2250000 Equity Shares Rs 10/- each at the premium of Rs.22/- each, during the year under consideration. The preferential allotment has been made to Mr. Vikas Garg Director of the company of 1000000 Equity Shares of Rs. 10/- and Goodlife Impex Pvt Ltd. of 1250000 Equity Share. The Shares allotted to the director is covered in the register maintained under section 301 of the Company Act 1956.

17. The Company does not have accumulated losses as at the end of financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.

18. According to the information and explanation given to us, the Company has not granted any loans/ advances on the basis of security by way of pledge of shares, debentures and other securities.

19. Clause 4(xiii) of the Order is not applicable to the Company as the Company is not a chit fund or a nidhi / mutual benefit fund/ society.

20. On the basis of the records made available to us, the Company has no debentures outstanding during the year.

21. The Company has not raised any money through public issue during the year.

22. During the course of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India, we have neither come across any material instance of fraud on or by the Company, noticed or reported during the year nor we have been informed of such a case by the management.

23. Other clauses of the Order are not applicable to the Company.

Place : Delhi
Date : 10.08.2011

For R S P H & Associates
(Chartered Accountants)
Firm Reg. No 003013N

Tarun Kumar Batra
FCA, M No 094318
(Partner)

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule No.		As at 31-03-2011		As at 31-03-2010
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	I	101,039,370		78,539,370	
Reserves and Surplus	II	157,990,847	259,030,217	59,376,067	137,915,437
Loan Funds					
Secured Loans	III	243,018,918		148,330,309	
Unsecured Loans	IV	366,146	243,385,064	12,429,533	160,759,842
Deferred Tax Liabilities (Net)			1,998,158		665,600
(Refer note no. 18 of Schedule XVIII)					
Total			504,413,438		299,340,878
APPLICATION OF FUNDS					
Fixed Assets	V				
Gross Block		139,733,127		83,891,396	
Less : Accumulated Depreciation/Amortisation		18,293,047		9,835,265	
Net Block			121,440,080		74,056,131
Investments	VI		72,524,321		24,737,909
Foreign Currency Monetary item Translation Difference Account (net of amortisation)					
(Refer note no.19 of Schedule XX C)					
Current Assets, Loans & Advances	VII				
Inventories		90,768,577		74,102,917	
Sundry Debtors		212,373,960		147,953,205	
Cash and Bank Balances		1,191,584		2,313,154	
Loans and Advances		151,639,224		61,999,587	
(A)			455,973,345		286,368,862
Less : Current Liabilities and Provisions	VIII				
Current Liabilities		128,381,801		78,432,631	
Provisions		17,534,167		8,054,199	
(B)		145,915,968		86,486,830	
Net Current Assets (A)-(B)			310,057,377		199,882,032
Miscellaneous Expenditure	IX		391,661		664,806
(To the extent not written off or adjusted)					
Total			504,413,438		299,340,878
Significant Accounting Policies and Notes to Accounts	XVIII				

The Schedules referred to above and notes thereon form an integral part of the Balance Sheet.

As per our attached report of even date

For and on behalf of the Board

For R.S.P.H. & Associates
Chartered Accountants
(Firm Regd No. 003013N)

Dr. Nand Kishore Garg
Chairman & Managing Director

Vikas Garg
Director

Poonam Sharma
A.V.P (Accounts & Finance)

Tarun Batra
(Partner)
Membership No. 094318

S.C. Tayal
Director

Aditya Narayan Singh
Company Secretary

Place: New Delhi
Date : 10-08-2011

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	SCHEDULE	For the Year Ended 31.03.2011	For the Year Ended 31.03.2010
INCOME			
Turnover	X	982,998,095	615,760,428
Other Income	XI	13,792,385	7,311,755
Total		996,790,480	623,072,183
EXPENDITURE			
Purchase of Material / Trading Goods		844,848,514	547,939,894
Other Manufacturing/ Direct Expenses	XII	61,863,407	36,689,688
(Increase)/Decrease in Inventories	XIII	(26,388,207)	(31,377,620)
Administartive and Selling Expenses	XIV	20,875,045	19,905,969
Personnel Expenses	XV	17,095,788	11,281,212
Financial Expenses	XVI	27,369,289	16,511,607
Depreciation / Amortisation	V	8,457,782	3,247,063
Miscellaneous Expenditure written off during the year		273,145	273,145
Total		954,394,762	604,470,959
Net Profit		42,395,718	18,601,225
Add: Share of Profit from Investment in Partnership firm		20,118,546	14,081,909
Less: Prior Period items (Refer note no. 15 of Schedule XVIII)		43,846	(1,083,393)
Profit before tax		62,470,418	33,766,526
Current Tax Liability		(650,000)	3,375,000
Deferred Income Tax (Credit)/Charge (Refer note no. 18 of Schedule XVIII)		(1,332,558)	107,969
Provision for Tax (Earlier years)		272,929	–
Profit after Tax		60,760,789	30,283,557
Add :- Prior period profit fromPartnership firm		136,066	–
Add : Balance brought forward from previous year		38,410,133	12,705,775
Profit available for appropriation		99,306,988	42,989,332
APPROPRIATIONS			
Dividend on Equity Shares - Proposed		10,103,937	3,926,969
Dividend Distribution Tax		1,678,138	652,230
Surplus carried to Balance Sheet		87,524,913	38,410,133
Basic Earnings per Share (in Rs.)	XVII	7.72	3.86
Diluted Earnings per Share (in Rs.)	XVII	7.72	3.86
Face / Nominal Value per Share (in Rs.)		10.00	10.00
Significant Accounting Policies and Notes to Accounts	XVIII		

The Schedules referred to above and notes thereon form an integral part of the Profit & Loss Account.

As per our attached report of even date		For and on behalf of the Board	
For R.S.P.H. & Associates	**Dr. Nand Kishore Garg**	**Vikas Garg**	**Poonam Sharma**
Chartered Accountants	Chairman & Managing Director	Director	A.V.P (Accounts & Finance)
(Firm Regd No. 003013N)			
Tarun Batra	**S.C. Tayal**	**Aditya Narayan Singh**	
(Partner)	Director	Company Secretary	
Membership No. 094318			

Place: New Delhi
Date : 10-08-2011

SCHEDULES TO BALANCE SHEET

SCHEDULES		AS AT 31.03.2011		AS AT 31.03.2010
SCHEDULE I - SHARE CAPITAL				
Authorised				
1,59,50,000 (Previous year 1,59,50,000) Equity Shares of Re.10 each		159,500,000		159,500,000
Issued, Subscribed and Paid up				
1,01,03,937 (Previous year 78,53,937) Equity Shares of Re 10 each fully paid-up		101,039,370		78,539,370
		101,039,370		78,539,370

Note: Out of the above shares, 22,50,000 shares of Rs. 10 each were issued as fully paid up shares at a premium of Rs. 22 per share as per preferential allotment made on 29th March 2011, during the year.

SCHEDULE II - RESERVES AND SURPLUS				
Capital Reserve (Under Scheme of Amalgamation) (Refer note no. 20 of Schedule XVIII)		965,934		965,934
Securities Premium(*)				
Amount as per last Balance Sheet	20,000,000	20,000,000		
Add: Addition during the year	49,500,000	69,500,000	-	20,000,000
Surplus (Transferred from Profit & Loss A/c)		87,524,913		38,410,133
		157,990,847		59,376,067

(*) During the year preferential allotment of 22,50,000 shares of Rs. 10 /- each was made at a premium of Rs. 22 /- per share.

SCHEDULE III - SECURED LOANS		
Loan from Banks		
Term loans from banks (Refer note no. 7 of Schedule XVIII)	38,336,831	23,324,928
Cash credit (Refer note no. 7 of Schedule XVIII)	200,867,561	121,731,179
Vehicle loans*	3,793,248	3,274,202
nterest Accrued & Due on the above (Refer note no. 6 of Schedule XVIII)	21,278	-
	243,018,918	148,330,309

Working Capital Loan/Term Loan

Secured by way of first charge on hypothecation of companies entire stock of raw material, semi finished goods, consumable stores & spares, book debt, bills whether documentary or clean outstanding monies, receivable both present and future , ranking parri passu between Oriental Bank of Commerce & ICICI bank Limited.

The Loan is further secured by way of first charge on all the movable fixed assets of the company both present and future ranking parri passu between Oriental Bank of Commerce & ICICI Bank Limited.

Charge over the fixed assests exclusively financed by Oriental Bank of Commerce & ICICI Bank Limited.

Mortgage of industrial property situated at No G-24-29 RICCO industrial area , Alwar under exclusive charge ICICI bank Limited

The Collateral securities issued to Oriental Bank of Commerce are:

a) Residential Property bearing Khasra No. 14/5/2, 6min. 15/1/2,9/2 & 10 min., Vill, Ghevra, Near Mundka Railway Crossing , Delhi
b) Commercial property at 34/1, East Punjabi Bagh, New Delhi - 26
c) Industrial Property at Industrial Growth Centre, IGC, Phase-1, Distt. Samba, Jammu

The Collateral securities issued to ICICI Bank Ltd. are:

a) Exclusive equitable mortgage of factory land & Building in the name of company situated at G-30. RIICO Industrial Area, Vigyan Nagar, Shahjahanpur Dist. Alwar, Rajasthan .
b) Exclusive equitable mortgage of residential property in the name of Vivek Garg Situated at Khasra no 710/201 in village Rithala, Delhi.
c) Exclusive equitable mortgage of property in the name of Seema Garg and Usha Garg situated at A 28, Khasra no 12/10 and 13/6, Village Kamruding Nagar, Nangloi, New Delhi
d) Exclusive equitable mortage of plot of land situated at Khasra no. 142/32, Situated at Village Khanjawala, Delhi owned by New Age Polypack Coats Pvt Ltd
e) Exclusive equitable mortage of residential plot in the name of Usha Garg situated at Bo. B1, Upper basement floor, 1/34, Punjabi Bagh, New Delhi

* Vehicle loans from Banks are Secured against hypothecation of vehicle

** These loans are secured by way of personal gaurantee of the promoters of the company.

SCHEDULE IV - UNSECURED LOANS		
From Directors and their Relatives	366,146	12,361,622
From Others (Inter Corporate Loans)	-	67,911
	366,146	12,429,533

SCHEDULES TO BALANCE SHEET
SCHEDULES TO BALANCE SHEET AND PROFIT & LOSS ACCOUNT

SCHEDULE V - FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at April 1, 2010	Addtions during he year	Sale/Adj. during he year	As At March 31, 2011	As At April 1 2010	Provided during the year	Deduction & Adj. during he year	As At March 2011	As At March 2011	As At March 2010
Tangible Assets:-										
Land - Leasehold	29,241,950	1,273,156	-	30,515,106	-	-	-	-	30,515,106	29,241,950
Buildings	14,339,162	15,468,682	2,126,710	27,681,134	1,042,942	868,966	-	1,911,908	25,769,226	13,296,220
Plant & Machinery	24,517,930	38,370,434	880,502	62,007,861	1,892,926	4,934,238	-	6,827,164	55,180,697	22,625,003
Furniture & Fittings	756,675	891,486	-	1,648,161	431,132	125,658	-	556,789	1,091,371	325,543
Vehicles	8,871,194	1,849,636	-	10,720,830	3,203,443	1,777,668	-	4,981,111	5,739,719	5,667,751
Office Equipments	4,114,442	1,265,258	622,101	4,757,599	2,101,130	342,527	-	2,443,657	2,313,942	2,013,312
Computer Equipments	2,050,044	352,392	-	2,402,436	1,163,691	408,726	-	1,572,418	830,018	886,352
TOTAL	83,891,396	59,471,044	3,629,313	139,733,127	9,835,265	8,457,782	-	18,293,047	121,440,080	74,056,131
Previous Year	36,733,438	57,626,878	10,468,920	83,891,396	6,744,944	3,247,063	156,742	9,835,265	74,056,131	29,988,705

SCHEDULES TO BALANCE SHEET

SCHEDULES		AS AT 31.03.2011		AS AT 31.03.2010
SCHEDULE VI - INVESTMENTS				
Long Term Investments (At cost)				
NonTrade				
1) Wholly owned Subsidiary Company				
Moonlite Technochem Private Limited (*)				
3,07,020 (Previous year Nil) Equity Shares of Re.10 each, fully paid up		27,631,800		-
(Refer note no. 16 of Schedule XVIII)				
2) Investment in Partnership firm				
Sigma Plastic Industries (*)		44,842,521		24,587,909
3) Bonds & Debentures (Unquoted)				
Investment in Bonds		-		100,000
4) Other Investment				
Others		50,000		50,000
		72,524,321		24,737,909
* Company/Firm under the same management as defined under section 370(1B) of the Companies Act, 1956.				
Aggregate Value of Quoted Investments		-		-
Aggregate Market Value of Quoted Investments		-		-
Aggregate Book Value of Unquoted Investments		72,524,321		24,737,909
SCHEDULE VII - CURRENT ASSETS, LOANS & ADVANCES				
CURRENT ASSETS				
Inventories (at lower of cost or net realisable value):				
a. Chemicals	76,771,638		59,070,224	
b. Goods in Transit	-		1,035,754	
c. Inventory - Construction	5,310,146		5,310,146	
d. Inventory - Real Estate	8,686,793	90,768,577	8,686,793	74,102,917
Sundry Debtors				
Unsecured, Considered good (unless otherwise stated)				
Debts Outstanding (exceeding six months)	12,650,854		11,642,941	
Other Debts	199,723,106	212,373,960	136,310,264	147,953,205
Cash and Bank Balances				
Cash on hand	696,238		1,462,725	
Balances with Scheduled Banks				
a) On Current Accounts	344,976		388,024	
b) On Unpaid Dividend Accounts	5,031		-	
Balances with Non Scheduled Banks	145,340	1,191,584	462,405	2,313,154
Loans and Advances				
Unsecured, Considered good (unless otherwise stated)				
Advances recoverable in cash or in kind or for value to be received	72,285,221		45,088,099	
Loans & advances to subsidiary company	-		-	
Advance to Suppliers	75,310,257		10,449,874	
Security Deposits	4,043,746		3,204,784	
Advance Income Tax	-	151,639,224	3,256,829	61,999,587
		455,973,345		286,368,862

SCHEDULES TO BALANCE SHEET

SCHEDULES		AS AT 31.03.2011		AS AT 31.03.2010
SCHEDULE VIII - CURRENT LIABILITIES & PROVISIONS				
CURRENT LIABILITIES				
Sundry Creditors				
a) Dues to Micro & Small Enterprises (Refer note no. 9 of Schedule XVIII)	-		-	
b) Dues to other than Micro & Small Enterprises	116,329,598		64,931,645	
Advances from Customers	7,105,471		3,735,049	
Bank Overdraft	-		378,918	
Other Liabilities	4,946,731		3,648,662	
Payable to Sigma Plastic Industries*	-	128,381,801	5,738,357	78,432,631
* Company/Firm under the same management as defined under section 370(1B) of the Companies Act, 1956.				
PROVISIONS				
Provision for Income Tax (Net of advance tax of Rs. 27,06,113)	5,752,092		3,375,000	
Provision for investment	-		100,000	
Proposed Dividend on Equity Shares	10,103,937		3,926,969	
Provision for Dividend Distribution Tax	1,678,138	17,534,167	652,230	8,054,199
		145,915,968		86,486,830
SCHEDULE IX - MISCELLANEOUS EXPENDITURE				
(To the extent not written off or adjusted)		391,661		664,806
		391,661		664,806

SCHEDULES TO PROFIT & LOSS ACCOUNT

Amount in Rs.

	For the year ended 31-03-2011	For the year ended 31-03-2010
SCHEDULE X - TURNOVER		
Sales (Net of Excise Duty)	961,672,579	599,601,773
Profit/(Loss) on Sale of Consignment	4,121,052	522,720
Commission Income	17,204,464	15,635,935
	982,998,095	615,760,428
SCHEDULE XI - OTHER INCOME		
Interest Income	611,991	371,236
Profit on Sale of Property	994,035	-
Excise Refund	4,064,923	-
Others	226,509	836,734
Rental Income	-	217,200
Exchange Fluctuation Gain	4,048,932	5,021,579
Liabilities/ Provisions no longer required written back	100,000	-
Profit & Loss on Investment	-	514,196
Rebate & Discount Received	2,675,494	-
Miscellaneous Income	1,070,502	350,810
	13,792,385	7,311,755

SCHEDULES TO PROFIT & LOSS ACCOUNT

Amount in Rs.

		For the year ended 31-03-2011		For the year ended 31-03-2010
SCHEDULE XII- MANUFACTURING EXPENSES				
Consumable Stores & Spares		134,809		-
Custom Duty		35,132,750		21,804,907
Demurrage & Detention		248,046		390,565
Inland Haulage Charges		777,251		2,157,413
Wages		1,441,436		569,774
Freight & Cartage Inward		9,856,058		3,325,330
Power & Fuel		5,517,782		3,022,485
Loading & Unloading		1,932,498		-
Exchange Rate Fluctuation		-		122,041
Clearing & Forwarding		6,465,763		5,009,912
Packaging & Sampling Charges		149,459		213,220
Loss Due to Theft		-		74,042
Lab Chemical Expanses		207,554		-
		61,863,407		36,689,688
SCHEDULE XIII - (INCREASE) / DECREASE IN INVENTORIES				
Closing Stock : Chemicals & Construction		90,768,577		64,380,370
Less: Opening Stock : Chemicals & Construction		64,380,370		33,002,750
		(26,388,207)		(31,377,620)
SCHEDULE XIV - ADMINISTARTIVE AND SELLING EXPENSES				
Legal & Professional Charges		3,407,838		2,207,772
Travelling & Conveyance		3,590,245		3,344,141
Advertising & sales promotion		1,268,185		579,728
Freight & cartage		3,066,149		5,395,989
Rent		951,000		754,999
Postage & Communication		1,322,803		1,239,430
Security Expenses		809,136		540,461
Insurance		675,959		556,817
Repair & Maintenance				
-Buildings	929,705		225,731	
-Plant & Machinery	206,099		375,007	
-Others	279,989	1,415,793	319,276	920,014
Board Meeting Expenses		156,794		160,000
Printing & Stationery		465,340		323,556
Testing & Sampling		194,277		254,567
Donations		445,300		128,100
Vehicle Running & Maintenance		453,716		406,883
Payment to Auditors (Refer note no. 21 of Schedule XVIII)		200,000		200,000
Rates & Taxes		101,108		775
Electricity & Water Charges		-		37,150
Rebate & Discount		-		358,377
Subscription		131,718		31,464
Commission (other than sole selling agents)		131,158		406,156
Bad Debts & Advances Written Off		-		147,362
Equity Listing Expenses		11,030		40,119
Miscellaneous Expenses		2,077,495		1,872,109
		20,875,045		19,905,969

SCHEDULES TO PROFIT & LOSS ACCOUNT

Amount in Rs.

		For the year ended 31-03-2011		For the year ended 31-03-2010
SCHEDULE XV - PERSONNEL EXPENSES				
Salaries, wages, allowances, bonus and other benefits *		16,018,361		10,457,314
Contribution to provident and other funds		196,470		128,431
Staff Welfare		880,957		582,925
Staff Recruitment & Training		-		112,542
		17,095,788		11,281,212

* For Director's Remuneration (Refer note no. 21 of schedule XVIII)

SCHEDULE XVI -FINANCIAL EXPENSES				
Interest on:				
- Term loans	3,643,594		166,772	
- Others (including interest on working capital loans)	22,203,601	25,847,195	15,217,928	15,384,699
Bank charges		1,522,094		1,126,908
		27,369,289		16,511,607

SCHEDULES - XVII - EARNING PER SHARE

	For the year ended 31-03-2011	For the year ended 31-03-2010
Calculation of profit for Basic & Diluted Earnings per share		
Net profit before Tax	62,470,418	33,766,526
Less: Adjustment for tax expenses	1,709,629	3,482,969
Net profit for calculation of Basic & Diluted Earnings per share	60,760,789	30,283,557
Weighted average number of equity shares in calculating Basic EPS	7,872,430	7,853,937
Weighted average number of Equity Shares in calculating Diluted EPS	7,872,430	7,853,937
Basic Earnings per share (in Rs.)	7.72	3.86
Diluted Earnings per share (in Rs.)	7.72	3.86
Face / Nominal value per share (in Rs.)	10.00	10.00

Schedule XVIII: Notes to Accounts

1. **Background and nature of operations**

Vikas Globalone Limited (“VGL”)(“The Company”) is a Bombay Stock Exchange (“BSE”) listed Company incorporated in Year 1984, and is actively engaged in the business of trading and manufacturing of chemicals and plastic compounds.

The company has recently done backward integration of its business to manufacturing of high end products used in plastic, rubber, footwear and packaging industries while alongside acting as distributor of global conglomerates with niche in specialty chemicals and polymers.

The company is also actively working on establishing its new manufacturing units in western part of the country since it will help company to mark its presence in unchartered territories of highly industrialized western geography of India.

The company is also C&F agent of one of the leading pharmaceuticals company ‘Lupin’.

2. **Summary of significant accounting policies**

(a) Basis of presentation

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared as a going concern under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company are consistent with those used in the previous year.

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

(b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates. Hence, the differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

(c) Inventories

i) Raw Material is valued at lower of cost and net realizable value.

ii) Finished products are valued at lower of cost and net realizable value. Cost being the weighted average material cost & includes cost of conversion & other cost incurred in bringing the goods to their present location & condition. Closing balance of finished stock are accounted for on the basis of physically verified quantities.

iii) Packing Material, stores & spares parts are valued at lower of moving weighted average cost and net realizable value.

iv) Inventory on construction activities has been valued at cost incurred.

v) Obsolescence: Obsolete, slow moving & defective inventories are identified at the time of physical verification of inventories & wherever necessary provision is made for such inventories.

vi) Shortage / Excess of Packing Material, Stores & spares parts and finish goods arising from physical verification are charged/adjusted to consumption/production.

(d) Fixed assets, depreciation and amortization, impairment

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

- Depreciation on fixed assets are computed using written down value method, as per the rates and as per the manner prescribed in Schedule XIV of the Companies Act, 1956.

- Depreciation on additions / deletions to fixed assets is provided on pro-rata basis from/till the date the asset is put to use / discarded. Individual assets costing less than Rs. 5,000 are fully depreciated in the year of purchase.

At each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The reduction is treated as an impairment loss and is recognised in the Profit and Loss Account. If, at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the reassessed recoverable amount. Impairment losses previously recognized are accordingly reversed.

(e) Investments

Investments are classified as long term or current investments. Long term investments are stated at cost and provision for diminution in their value, other than temporary, is recorded in the books of account. Current investments are stated at the lower of cost or fair value.

(f) Revenue recognition

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

i) *Sale of goods*
Revenue from sale of goods is recognized when significant risks and rewards of ownership of goods are transferred to the customers. Sales are net of sales return, free quantities delivered and trade discounts.

ii) *Interest*
Interest income from deposits and others is recognised on accrual basis (i.e. time proportion basis).

iii) *Construction contract*
The company follows complete contract method of accounting in respect of its construction activity. Under this method, the profit on unit sold is recognized only when the work in respect of the relevant unit is completed or substantially completed which is determined on technical estimations and the underlying sale deed is executed.

iv) *Profit on sale of investment*
Profit on sale of investment is recognised on the date of transaction of sale and is computed with reference to the cost of investments.

(g) Borrowing Costs:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue in the year in which they are incurred.

(h) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(i) Operating leases

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as an expense on a straight-line basis over the lease term in accordance with Accounting Standard 19 (AS 19) - Leases as notified under the Companies (Accounting Standards) Rules, 2006, as amended.

(j) Cash & cash equivalent

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(k) Cash Flow Statement

Cash Flows are reported using indirect method, whereby profit before tax is adjusted for efforts of transactions of non cash nature and any deferral or accruals of any past or future cash receipts or payments. The Cash Flows from regular revenue generating, financing and investing activity of the Company segregated.

(l) Employees retirement benefits

The Company's employee benefits primarily cover provident fund, gratuity and leave encashment.

Provident fund is **defined contribution schemes** and the Company has no further obligation beyond the contributions made to the fund. Contributions are charged to profit and loss account in the year in which it is due.

Leave encashment is paid as and when it becomes due to the employee.

(m) Taxes on Income

Tax expense comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act 1961.

Deferred income taxes are recognized for the future tax consequences attributable to timing differences between the financial statement income and taxable income for the year. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Unrecognized deferred tax assets of earlier periods are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which deferred tax assets can be realized.

(n) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. Contingent liability is disclosed for:

i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or,

ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

(o) Foreign Currency Transactions:

As stipulated in Accounting Standard 11, the effects of changes in foreign exchange rates, notified under the Companies (Accounting Standards) Rules, 2006, as amended.

i). **Initial Recognition**
Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction to the foreign currency amount.

ii). **Conversion**

Foreign currency monetary items are converted to reporting currency using the closing rate. Non monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

iii). **Exchange Differences**

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded, are recognized as income or expense in the year in which they arise except those arising from investments in non-integral operations.

3. Commitments

a. Capital commitment
There are no contracts remaining to be executed on capital account and not provided for as at 31 March, 2011.

b. Lease commitment
The Company has taken various premises on operating leases. The lease rental of Rs. 2,94,000/- (Previous year Rs. 2,94,000/-) has been charged to Profit and Loss Account for the year ended March 31, 2011. The underlying agreements are executed for a period generally ranging from one year to three years, renewable at the option of the Company and the lessor. There are no restrictions imposed by such leases and there are no subleases.

The minimum rental payments to be made in future in respect of these operating leases are as under:

Minimum Lease Rentals	**Year ending March 31, 2011**	**Year ending March 31, 2010**
Within one year	2,94,000	2,94,000
Later than one year, not later than five years	2,94,000	5,88,000
Total	5,88,000	8,82,000

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

5. There is a Contingent Liability in form of Bank Guarantee of Rs. 15,36,000/- to be reported as at March 31, 2011.

Details of pending cases are given below:-

Particulars	**Year ending March 31, 2011**	**Year ending March 31, 2010**
Disputed demands/ show-cause notices under:-		
a) Income Tax cases	31,44,000	—
b) Customs Duty cases	5,33,266	5,33,266
c) VAT	88,000	3,83,000

6. Secured loans from banks include Rs. 38,14,526/- (Previous year Rs. 32,74,202/-) secured against hypothecation of respective vehicles. Amount repayable within one year in respect of such loans is Rs. 12,11,064/- (Previous year Rs. 10,21,746/-).

7. Secured Loans from banks includes Loan of Rs. 23,92,04,392/- secured against hypothecation of stock and debtors-and various collateral issued. Amount repayable within one year in respect of such loan is Rs. 57,26,604/-.

8. Segmental reporting:-

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

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

i) Chemical Division

ii) Real estate projects

The above business segments have been identified and reported considering:

- The nature of the services
- The related risk and returns
- The internal financial reporting systems

Particulars	**Year ending March 31, 2011**	**Year ending March 31, 2010**
Segment revenue:-		
Chemical Division	99,57,96,445	62,25,49,463
Real Estate Division	9,94,035	5,22,720
Total	99,67,90,480	62,30,72,183
Segment results:-		
Profit before interest and tax		
Chemical Division	8,73,23,577	4,91,51,225
Real Estate Division	9,94,035	-
	8,83,17,612	4,91,51,225
Less: Interest	2,58,47,194	1,53,84,699
Profit before tax	6,24,70,418	3,37,66,526
Capital employed:-		
Chemical Division	48,31,26,576	27,56,10,464
Real Estate Division	1,88,97,043	2,24,00,008
Total	50,20,23,619	29,80,10,472

The Company operates entirely in India and, accordingly, no disclosures are required under secondary segment reporting.

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

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

10. In the opinion of the Board of Directors of the Company, all Current Assets, Loans and Advances appearing in the balance sheet as at March 31, 2011 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet. Certain balances shown under current assets, current liability, loans and advances and balances with banks, are subject to confirmation / reconciliation.

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

12. Employee Benefit Obligation:-

During year ended March 31, 2011 the Company has contributed Rs. 141, 545/- to provident fund under defined contributions plan of Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

13. In the opinion of the Board of Directors, provision for diminution in the value of investment is Rs. Nil (Previous year Rs. 1,00,000/-) required in current year towards diminution in value of Long Term Investments, where the decline in value is temporary in nature.

14. As per the best estimate of the management, no provision is required to be made as per Accounting Standard 29 (AS 29) Provisions, Contingent Liabilities and Contingent Assets as notified under the Companies (Accounting Standards) Rules, 2006, as amended, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

15. Prior Period Items :-

Description	**Year ending March 31, 2011**	**Year ending March 31, 2010**
Expenses:-		
ESI / PF Exp.	—	75,929
Commission Exp.	10,709	—
Service Tax input w/o	23,190	—
Security Charges	51,692	—
Total(A)	85,591	75,929
Income:-		
Custom Duty Recoverable	—	2,67,472
Foreign Exchange Fluctuation	—	8,91,950
Commission Income	41,745	—
Total (B)	41,745	11,59,322
Grand Total (A-B)	43,846	(10,83,393)

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

Names of related parties and description of relationship:

Nature of Relationship	**Name of Party**
Subsidiary Company (100% share)	Moonlite Technochem Private Limited (*)
Subsidiary (51% share)	Sigma Plastic Industries (Partnership Firm)
Key Management Personnel	Mr. Nand Kishore Garg (CMD)
Key Management Personnel	Mr. Vikas Garg (Director)

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

Nature of Transaction	Subsidiary	Associates	Key Management Personnel	Total
Sale	230,383,478	-	-	230,383,478
	(18,959,000)	(973,440)	-	(19,932,440)
Purchase	73,209,885	5,468,613	-	78,678,498
	(31,138,000)	(1,48,25,966)	-	(31,138,000)
Rent Paid	-	774,000	-	774,000
	-	-	-	-
Profit on consignment Sale / purchase	1,964,301	-	-	1,964,301
	-	-	-	-
Investment in shares	27,631,800	-	-	27,631,800
	-	(3,015,000)	-	(3,015,000)

In accordance with AS 18, disclosures in respect of transactions with identified related parties are given only for such period during which the relationship existed.

(*) During the current financial year, the company acquired 100% stake in Moonlite Technochem Private Limited (MTPL) on September 1, 2010 for Rs. 2,76,31,800/- and the net worth of the company as per balance sheet as at September 1, 2010 was of Rs. 2,47,10,336.

17. Earnings per share:-

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

Particulars	Year ending March 31, 2011	Year ending March 31, 2010
Net Profit/(Loss) After Tax as per Profit and Loss Account (in Rs)	6,07,60,789	30,283,557
Weighted average no of shares outstanding during the year	78,72,430	78,53,937
Basic and diluted Earnings Per Share (in Rs)	7.72	3.86
Nominal value per Equity Share (in Rs)	10/-	10/-

18. Deferred Tax:-
In compliance with Accounting Standard 22 (AS 22) - Accounting for Taxes on Income, as notified under the Companies (Accounting Standards) Rules, 2006, as amended, the Company has recognised deferred tax liabilities (net) in the Profit and Loss Account of Rs. 13,32,558/- (Previous year Rs.1,07,969/-) during the year ended March 31, 2011.

The breakup of Deferred Tax Liabilities into major components as at March 31, 2011 is as under:

	Year ending 31-3-2011	Year ending 31-3-2010
Deferred Tax Liabilities		
Arising on account of temporary differences due to:		
Excess of Book WDV of Fixed Assets over Tax WDV of Fixed Assets	19,98,158	6,65,600
Total	19,98,158	6,65,600

19. The Company has not entered into any foreign exchange derivative instruments during the year.

20. The scheme of amalgamation was filed under section 391 read with section 394 of the companies Act 1956 w.e.f. April 1, 2007 for the amalgamation of the following three transferor companies a) Hulchul International Private Limited, b) Vikas Utilities Private Limited, c) South Delhi Projects Private Limited, With the transfree company Vikas Globalone Limited (formally known as Vikas Profin Limited).

The Same has been approved by the High Court wide order no 18457/1 dated October 17, 2008. The amalgamation has been accounted for the manner specified in the Scheme, The Surplus of Rs. 9,65,934/- arising out of amalgamation has been credited to Capital reserve Account.

21. Additional information pursuant to the provision of paragraph 3, 4, 4A, 4B, 4C and 4D of Part II of Schedule VI of the Companies Act, 1956 to the extent applicable are as follows:-

(a) Managerial remuneration:

Particulars	**Year ending 31-3-2011**	**Year ending 31-3-2010**
Salaries	3,60,000	3,60,000
Employer's Contribution to Provident Fund	—	—
TOTAL	3,60,000	3,60,000

(b) Auditors remuneration:

	Current Year	**Previous Year**
- *Audit Fees & Tax Audit (exclusive of service tax)*	*2,00,000/-*	*2,00,000/-*

(c) Expenses incurred in foreign currency during the year ended March 31, 2011 aggregates to:-

	Year ending 31-3-2011	**Year ending 31-3-2010**
Expenditures:-		
Purchase	23,20,06,070	14,18,45,170
Foreign Travelling	7,51,433	—
TOTAL	26,78,99,724	14,18,45,170

(d) CIF value of imports:

Particulars	**Year ending 31-3-2011**	**Year ending 31-3-2010**
Raw Material Purchased	23,20,06,070	14,18,45,170
Capital Goods(Including Spares)	12,81,684	—
TOTAL	23,32,87,754	14,18,45,170

(e) FOB value of export made during the year included in the sales amounting Rs. 17,08,560 (Previous Year: Rs. Nil)

(f) Information in respect of capacity and class of goods manufactured:- *(in Kgs)*

S. No.	PARTICULAR	Installed Capacity	Opening Stock	Purchases	Sales	Closing Stock
1	Calcite Powder*	7,200,000	141,220	2,361,224	2,410,542	91,902
2	ESBO**	1800,000	6,130	533,170	535,450	3,849
3	PVC/TPR & other compounds (*)	3,000,000	-	1,285,625	1,153,942	131,682
4	Heat Stabilizer (Tin Mate)	600,000	8,228	379,945	347,980	40,193
	Total		155,578	4,559,963	4,447,914	267,626

*The plant is under renovation to increase the productivity

** The Capacity of ESBO is under expansion from 900 tons per annum to 1800 tons per Annum.

Details of Raw material consumed:- *(in Kgs.)*

S.NO.	PARTICULAR	OPENING STOCK	PURCHASES	CONSUMPTION	CLOSING STOCK
1	Chlorine Gas	150	8,850	7,536	1,464
2	Ethylhexyl Thiogycolate	8,074	202,000	176,214	33,861
3	Liquor Ammonia	1,529	64,006	60,433	5,102
4	Methyl Chlori De Pure (Gas)	6,125	43,200	47,109	2,216
5	Others	14,970	62,039	76,599	411
6	Phosphite Ester	-	11,105	9,784	1,322
7	Tin Alloy	241	63,475	63,307	409
8	Tin Tetra Chloride	60	1,136	692	504
9	Chlorinated Parrafin	-	145,500	138,250	7,250
10	HDPE/PP/FABRIC/BAG	-	140,181	125,869	14,312
11	Hydrozen Proxside 60%50	25,266	240,343	190,733	74,875
12	Lldpe Innoplus (3901-1090)	-	84,000	30,000	54,000
13	Marble Rubbles / Lumps	441,459	2,022,870	2,432,019	32,310
14	Others	134,277	2,767,126	2,893,588	7,815
15	Rso Refined Soyabean Oil	1,778	522,045	497,283	26,540

(a) Information relating to turnover, purchase of goods and stocks in respect of goods trading: *(in Kgs.)*

S.NO.	PARTICULAR	OPENING STOCK	PURCHASES	SALES	CLOSING STOCK
1	Calcite Powder	50,000	517,300	332,400	234,900
2	Calcite Powder-Raj	25,350	978,300	943,035	60,615
3	Cholrinated Polyethelene (CPE)	3,850	76,025	73,675	6,200
4	Ethylene Olafin Copolymer Tafmer	-	242,100	147,800	94,300
5	Liquor Ammonie	-	10,172	50	10,122
6	Organic Peroxide Luprox	37,650	69,240	75,690	31,200
7	Others PVC Raw Material	194,243	1,801,594	1,984,442	11,395
8	Polyethylene Wax	-	20,000	-	20,000
9	Polyolefin Elastomer	-	96,000	37,100	58,900
10	PVC Resin	53,460	2,596,025	2,565,485	84,000
11	Styrene Butadin Styrene (SBS)	74,505	801,000	837,365	38,140
12	Synthetic Rubber Styrene	-	34,355	1,190	33,165
	Total	439,058	7,242,111	6,998,232	682,937

22. Previous year's figures have been regrouped, where necessary to confirm with current year's classification.

As per our attached report of even date

For and on behalf of the Board

For R.S.P.H. & Associates
Chartered Accountants
(Firm Regd No. 003013N)

Dr. Nand Kishore Garg
Chairman & Managing Director

Vikas Garg
Director

Poonam Sharma
A.V.P (Accounts & Finance)

Tarun Batra
(Partner)
Membership No. 094318

S.C. Tayal
Director

Aditya Narayan Singh
Company Secretary

Place: New Delhi
Date : 10-08-2011

CASH FLOW STATEMENT FOR THE PERIOD ENDING 31st MARCH, 2011

PARTICULARS		CURRENT YEAR FIGURES (AMOUNT IN Rs.'000)		PREVIOUS YEAR FIGURES (AMOUNT IN Rs.'000)
A). CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax and extraordinary items		624.70		337.66
Adjustments for				
a) Depreciation including Addl Dep Due to Change	84.58		32.47	
b) Foreign Exchange	-		(50.22)	
c) Profit on sale of investment	-		-	
d) Interest	-		-	
e) Dividends	-		-	
f) Profit on Sale of Fixed Assets	-		-	
Totals of Adjustments		84.58		(17.75)
CASH GENERATION		709.28		319.91
Additions				
a) Interest				
b) Expenses Written / Off	2.73		4.20	
c) Loss on Sale of Fixed Assets	-		2.47	
d) Profit on Sale of Fixed Assets	-		(0.25)	
e) Bad Debts w/off	-		-	
f) Loss on sale of Investment	-		-	
		2.73		6.41
Operating Profits before Working Capital Changes		712.01		326.33
Adjustments for Working Capital Changes				
a) Trade Receivables	(644.21)		(484.30)	
b) Inventories	(166.66)		185.05	
c) Advances	(896.40)		(314.19)	
d) Trade Payables	607.62		148.13	
		(1,099.64)		(465.31)
CASH GENERATION FROM OPERATIONS		(387.63)		(138.98)
Less :- Interest paid		-		-
Less :- Taxes paid		(17.10)		(34.83)
Cash Flow before Extraordinary items		(404.73)		(173.81)
Extra Ordinary items		1.36		50.22
Deferred Revenue Expenditures		-		-
NET CASH GENERATED FROM OPERATIONS		403.37		123.60

PARTICULARS		CURRENT YEAR FIGURES (AMOUNT IN Rs.'000)		PREVIOUS YEAR FIGURES (AMOUNT IN Rs.'000)
B). CASH FLOW FROM INVESTING ACTIVITIES				
a) Purchase of Fixed Assets	(558.42)		(482.56)	
b) Sales of Fixed Assets	-		7.20	
c) Assets Taken Over of Transferee Co's	-		-	
d) Sale-Purchases of Investments (Net)	(477.86)		(172.10)	
e) Profit/Loss-Sale of Investments(Net)	-		(0.80)	
f) Interest Received	-		-	
g) Dividend Received	-		-	
h) Defered Tax Assets	-		-	
Net Cash Flow From Investing Activities		(1,036.28)		(648.25)
C). CASH FLOW FROM FINANCING ACTIVITIES				
a) Receipt From Issue of Share Capital	720.00		-	
b) Shares and Reserves of Transferor Co's	-		-	
b) Proceeds From Long Term Borrowings	946.89		693.31	
c) Dividends Paid	(117.82)		(45.79)	
d) Unsecured Loans	(120.63)	1,428.43	106.95	754.47
Net Cash Flow From Financing Activities		1,428.43		754.47
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		(11.22)		(17.38)
CASH AND CASH EQUIVALENTS AS ON 31.03.2010		23.13		36.73
CASH AND CASH EQUIVALENTS AS ON 31.03.2011		11.92		19.35

NOTE :- PREVIOUS YEAR FIGURES ARE INCLUSIVE OF SIGMA PLASTIC INDUSTRIES

As per our attached report of even date

For and on behalf of the Board

For R.S.P.H. & Associates
Chartered Accountants
(Firm Regd No. 003013N)

Dr. Nand Kishore Garg
Chairman & Managing Director

Vikas Garg
Director

Poonam Sharma
A.V.P (Accounts & Finance)

Tarun Batra
(Partner)
Membership No. 094318

S.C. Tayal
Director

Aditya Narayan Singh
Company Secretary

Place: New Delhi
Date : 10-08-2011

BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE AS AT 31ST MARCH 2011

I. Registration Details

CIN	**L65999DL1984PLC019465**	State Code	55
Balance Sheet Date	31-03-2011		

II. Capital raised during the year

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	22,50,000

III. Position of Mobilization and Deployment of Funds

Total Liabilities	Rs.504,413,438	Total Assets	Rs.504,413,438
Source of Funds			
Paid up capital	Rs.101,039,370	Reserve & Surplus	Rs.157,990,847
Secured Loans	Rs.243,018,918	Unsecured Loans	Rs.366,146
Application of Funds			
Net Fixed Assets	Rs.121,440,080	Investment	Rs.72,524,321
Net Current Assets	Rs.310,057,377	Miscellaneous Exp.	Rs.391,661
Accumulated Losses	NIL		

IV. Performance of the Company

Turnover (Total Income)	Rs.996,790,480	Total Expenditure	Rs.954,394,762
Profit/(Loss) before tax (Excluding Deferred Tax	Rs.62,470,418	Profit/(Loss) after tax implication)	Rs.60,760,789
Earnings per share - Basic & Diluted	7.72	Dividend rate	10%

V. Name of Principal Product of the Company

(a)	ITEM CODE	38029019
	PRODUCT	Coated Calcite Powder
(b)	ITEM CODE	38123090
	PRODUCT	Methyl Tin Mercaptide
(c)	ITEM CODE	15180039
	PRODUCT	Epoxidised Soya Bean Oil

For & On Behalf of the Board of Directors

Dr. Nand Kishore Garg
Chairman & Managing Director

Vikas Garg
Director

Poonam Sharma
A.V.P (Accounts & Finance)

S.C. Tayal
Director

Aditya Narayan Singh
Company Secretary

Place : New Delhi
Date : 10-08-2011

Auditors' Report

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

1. We have audited the attached Consolidated Financial Statements and Balance Sheet of ***M/s Vikas Globalone Limited*** as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments, we report that :-
   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
   (c) The Balance Sheet, Profit Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
   (d) In our opinion the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards, referred in sub-section (3C) of section 211 of the Companies Act, 1956;
   (e) On the basis of the written representations received for the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
   (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India:
      (i) In so far as it relates to Balance Sheet, of the state of affairs of the company as at 31st March, 2011;
      (ii) In so far as it relates to the Profit and Loss Account, of the ***Profit*** of the Company for the year ended on that date; and
      (iii) In so far as it relates to the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Place : Delhi
Date : 10.08.2011

For **R S P H & Associates**
(Chartered Accountants)
Firm Reg. No 003013N

Tarun Kumar Batra
FCA, M No 094318
(Partner)

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

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

2. The fixed assets have been physically verified by the management at all location at reasonable intervals. No material discrepancies between book records and the physical inventories have been noticed on such verifications.

3. The Inventories has been physically verified at reasonable intervals by the management. In our opinion and according to information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. On the basis of examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on such physical verification of inventory as compared to book records were not material which have been properly dealt with.

4. (a) The company has taken unsecured loans during the year from any companies, firms and other parties covered in the Register maintained under section 301 of the Companies Act, 1956 and also repaid the same during the year under consideration.

   (b) The Company has not granted any unsecured loan to company covered in the register maintained under section 301 of the Companies Act, 1956.

5. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate in the size of the company and the nature of its business for purchase of inventory and fixed assets and on the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls. We have not observed any failure on the part of the Company to correct major weakness in internal control.

6. (a) Based on audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transaction that needs to be entered into the register maintained under section 301 of Companies Act, 1956 have been so entered.

   (b) According to information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at relevant time.

7. In our opinion and according to information and explanations given to us, the company has not accepted any public deposit during the year under consideration. Otherwise the Company has complied with the provisions of sections 58A and 58AA of the Company, 1956 and rules framed there under. We have been informed that no order has been passed by the Company Law Board or national company law tribunal or Reserve Bank of India or any court or any Tribunal in this regard.

8. As per information and explanations given to us, the Central Government has not prescribed for maintenance of the cost records under Section 209(1)(d) of the Act for the products of the Company.

9. In our opinion the company has an internal audit system commensurate with the size and nature of its business.

10. According to information and explanations given to us the company is depositing with appropriate authorities, undisputed statutory dues including provident fund , investor education fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, Cess and other statutory dues to the extent applicable to it. There are no undisputed demands in respects of income tax, sales tax, service tax, excise duty, cess and other statutory dues payable for a period of more then six months from the date they become payable as at 31st March'2011 except a Vat Disputed amount of Rs 0.88 Lacs and Custom Duty disputed of Rs 5.33 Lacs and Income Tax demand of Rs 31.44 Lacs in the case of Vikas Utilities Private Limited which was merged with Vikas Globalone Limited on amalgamantion. Delay has been observed in deposit of the Service Tax, TDS, ESI and PF with respective authorities during the year under consideration.

11. Based on the audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institution, bank or debenture holder.

12. Based on our examination of the records and evaluations of the related internal controls, we are of the opinion that there is no such transaction and contracts relating to shares, securities and other investment dealt in by the company in relation to which proper records are required to be maintained.

13. The company has not given any guarantee for loans taken by others from banks or financial institutions, the terms and conditions there of are not ***prima facie*** prejudicial to the interest of the company.

14. During the year term loan has been taken by the company.The same has been utilized for the purpose for which it has been taken.

15. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the company we report that the company has not utilized funds raised on short- term basis for long-term investment.

16. The company has made preferential allotment of 2250000 Equity Shares Rs 10/- each at the premium of Rs.22/- each, during the year under consideration. The preferential allotment has been made to Mr. Vikas Garg Director of the company of 1000000 Equity Shares of Rs. 10/- and Goodlife Impex Pvt Ltd. of 1250000 Equity Share. The Shares allotted to the director is covered in the register maintained under section 301 of the company act 1956.

17. The Company does not have accumulated losses as at the end of financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.

18. According to the information and explanation given to us, the Company has not granted any loans/ advances on the basis of security by way of pledge of shares, debentures and other securities.

19. Clause 4(xiii) of the Order is not applicable to the Company as the Company is not a chit fund or a nidhi / mutual benefit fund/ society.

20. On the basis of the records made available to us, the Company has no debentures outstanding during the year.

21. The Company has not raised any money through public issue during the year.

22. During the course of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India, we have neither come across any material instance of fraud on or by the Company, noticed or reported during the year nor we have been informed of such a case by the management.

23. Other clauses of the Order are not applicable to the Company.

Place : Delhi
Date : 10.08.2011

For **R S P H & Associates**
(Chartered Accountants)
Firm Reg. No 003013N

Tarun Kumar Batra
FCA, M No 094318
(Partner)

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule No.		As at 31-03-2011		As at 31-03-2010
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	I	101,039,370		78,539,370	
Reserves and Surplus	II	160,692,370	261,731,740	59,642,863	138,182,233
Loan Funds					
Secured Loans	III	331,814,939		169,155,862	
Unsecured Loans	IV	8,319,146	340,134,085	19,164,533	188,320,395
Deferred Tax Liabilities (Net)			1,998,158		665,600
(Refer note no. 16 of Schedule XVIII)					
Total			603,863,983		327,168,228
APPLICATION OF FUNDS					
Fixed Assets	V				
Gross Block		167,780,126		97,867,609	
Less : Accumulated Depreciation/Amortisation		26,789,404		11,931,621	
Net Block			140,990,722		85,935,989
Investments	VI		550,000		150,000
Goodwill			2,337,171		-
Current Assets, Loans & Advances	VII				
Inventories		207,649,718		95,203,257	
Sundry Debtors		308,081,876		186,488,380	
Cash and Bank Balances		2,979,129		3,154,074	
Loans and Advances		189,080,152		66,237,708	
(A)		707,790,876		351,083,420	
Less : Current Liabilities and Provisions	VIII				
Current Liabilities		235,255,940		102,611,787	
Provisions		12,940,508		8,054,199	
(B)		248,196,447		110,665,986	
Net Current Assets (A)-(B)			459,594,429		240,417,433
Miscellaneous Expenditure	IX		391,661		664,806
(To the extent not written off or adjusted)					
Total			603,863,983		327,168,228

Significant Accounting Policies and Notes to Accounts XVIII

The Schedules referred to above and notes thereon form an integral part of the Balance Sheet.

As per our attached report of even date
For R.S.P.H. & Associates
Chartered Accountants
(Firm Regd No. 003013N)

Tarun Batra
(Partner)
Membership No. 094318

For and on behalf of the Board

Dr. Nand Kishore Garg
Chairman & Managing Director

Vikas Garg
Director

Poonam Sharma
A.V.P (Accounts & Finance)

S.C. Tayal
Director

Aditya Narayan Singh
Company Secretary

Place: New Delhi
Date : 10-08-2011

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	SCHEDULE	For the Year Ended 31.03.2011	For the Year Ended 31.03.2010
INCOME			
Turnover	X	1,197,557,745	625,023,420
Other Income	XI	20,998,955	11,089,444
Total		1,218,556,700	636,112,864
EXPENDITURE			
Purchase of Material / Trading Goods		1,013,629,430	536,210,015
Other Manufacturing/ Direct Expenses	XII	87,670,340	41,432,083
(Increase) / Decrease in Inventories	XIII	(59,183,645)	(43,367,795)
Administartive and Selling Expenses	XIV	24,063,188	20,850,221
Personnel Expenses	XV	19,757,385	11,955,828
Financial Expenses	XVI	35,041,686	17,938,659
Depreciation / Amortisation	V	11,559,742	4,311,101
Goodwill written off		584,293	-
Miscellaneous Expenditure written off during the year		273,145	273,145
Total		1,133,395,564	589,603,258
Net Profit		85,161,136	46,509,606
Less: Prior Period items (Refer note no. 13 of Schedule XVIII)		151,180	(1,053,393)
Less: Share of Profit from Investment in Partnership firm		19,329,583	13,529,677
Profit before tax		65,680,374	34,033,322
Current Tax Liability		(1,158,433)	3,375,000
Deferred Income Tax (Credit) / Charge (Refer note no. 16 of Schedule XVIII)		(1,332,558)	107,969
Provision for Tax (Earlier years)		272,929	–
Profit after Tax		63,462,312	30,550,353
Less: Prior period profit of minority		130,730	–
Add : Balance brought forward from previous year		38,676,929	12,705,775
Profit available for appropriation		102,008,511	43,256,128
APPROPRIATIONS			
Dividend on Equity Shares - Proposed		10,103,937	3,926,969
Dividend Distribution Tax		1,678,138	652,230
Surplus carried to Balance Sheet		90,226,436	38,676,929
Basic Earnings per Share (in Rs.)	XVII	8.05	3.89
Diluted Earnings per Share (in Rs.)	XVII	8.05	3.89
Face / Nominal Value per Share (in Rs.)		10.00	10.00
Significant Accounting Policies and Notes to Accounts	XVIII		

The Schedules referred to above and notes thereon form an integral part of the Profit & Loss Account.

As per our attached report of even date		For and on behalf of the Board	
For R.S.P.H. & Associates	**Dr. Nand Kishore Garg**	**Vikas Garg**	**Poonam Sharma**
Chartered Accountants	Chairman & Managing Director	Director	A.V.P (Accounts & Finance)
(Firm Regd No. 003013N)			
Tarun Batra	**S.C. Tayal**	**Aditya Narayan Singh**	
(Partner)	Director	Company Secretary	
Membership No. 094318			

Place: New Delhi
Date : 10-08-2011

SCHEDULES TO BALANCE SHEET

SCHEDULES		AS AT 31.03.2011		AS AT 31.03.2010
SCHEDULE I - SHARE CAPITAL				
Authorised				
1,59,50,000 (Previous year 1,59,50,000) Equity Shares of Re.10 each		159,500,000		159,500,000
Issued, Subscribed and Paid up				
1,01,03,937 (Previous year 78,53,937) Equity Shares of Re 10 each fully paid-up		101,039,370		78,539,370
		101,039,370		78,539,370
Note: Out of the above shares, 22,50,000 shares of Rs. 10 each were issued as fully paid up shares at a premium of Rs. 22 per share as per preferential allotment made on 29th March 2011, during the year.				
SCHEDULE II - RESERVES AND SURPLUS				
Capital Reserve (Under Scheme of Amalgamation) (Refer note no. 18 of Schedule XVIII)		965,934		965,934
Securities Premium(*)				
Amount as per last Balance Sheet	20,000,000		20,000,000	
Add: Credited during the year	49,500,000	69,500,000	-	20,000,000
Surplus (Transferred from Profit & Loss A/c)		90,226,436		38,676,929
		160,692,370		59,642,863
(*) During the year preferential allotment of 22,50,000 shares of Rs. 10 /- each was made at a premium of Rs. 22 /- per share.				
SCHEDULE III - SECURED LOANS				
Loan from Banks				
Term loans from banks		38,336,831		23,324,928
Interest Accrued & Due on the same (Refer note no. 6 of Schedule XVIII)		-		-
Cash credit		282,462,765		141,277,828
Interest Accrued & Due on the same (Refer note no. 6 of Schedule XVIII)		-		-
Vehicle loans		10,989,265		4,553,107
Interest Accrued & Due on the same (Refer note no. 5 of Schedule XVIII)		26,078		-
		331,814,939		169,155,862

Working Capital Loan / Term Loan

Secured by way of first charge on hypothecation of companies entire stock of raw material, semi finished goods, consumable stores & spares, book debt, bills whether documentary or clean outstanding monies, receivable both present and future, ranking parri passu between Oriental Bank of Commerce & ICICI bank Limited. The Loan is further secured by way of first charge on all the movable fixed assets of the company both present and future ranking parri passu between Oriental Bank of Commerce & ICICI Bank Limited.

Charge over the fixed assests exclusively financed by Oriental Bank of Commerce & ICICI Bank Limited.

Mortgage of industrial property situated at No G-24-29 RICCO industrial area , Alwar under exclusive charge ICICI bank Limited

The Collateral securities issued to Oriental Bank of Commerce & ICICI Bank are:

a) Residential Property bearing Khasra No. 14/5/2, 6min. 15/1/2,9/2 & 10 min., Vill, Ghevra, Near Mundka Railway Crossing , Delhi
b) Commercial property at 34/1, East Punjabi Bagh, New Delhi - 26
c) Industrial Property at Industrial Growth Centre, IGC, Phase-1, Distt. Samba, Jammu

The Collateral securities issued to ICICI Bank Ltd. are:

a) Exclusive equitable mortgage of factory land & Building in the name of company situated at G-30. RIICO Industrial Area, Vigyan Nagar, Shahjahanpur Dist. Alwar, Rajasthan .
b) Exclusive equitable mortgage of residential property in the name of Vivek Garg Situated at Khasra no 710/201 in village Rithala, Delhi.
c) Exclusive equitable mortgage of property in the name of Seema Garg and Usha Garg situated at A 28, Khasra no 12/10 and 13/6, Village Kamruding Nagar, Nangloi, New Delhi
d) Exclusive equitable mortage of plot of land situated at Khasra no. 142/32, Situated at Village Khanjawala, Delhi owned by New Age Polypack Coats Pvt Ltd
e) Exclusive equitable mortage of residential plot in the name of Usha Garg situated at Bo. B1, Upper basement floor, 1/34, Punjabi Bagh, New Delhi

The Collateral securities issued to Union Bank of India are:

a) Land and Building at Khatoni No. 341, Plot No. WZ-47-A, Basai Dara Pur, New Delhi-110015 in the name of Sh. Jai Hind Kumar Gupta.
b) Propery out of Khasra No. 142/704, extended lal dora Abadi of Village, Kanjawala, Delhi in the name of Sh. Vikas Garg.
c) Flat No. 6, First Floor on Plot No. 1/34, Punjabi Bagh (E), New Delhi in the name of Smt. Seema Garg.
d) Lal Dora Land Plot No. 749(800 Sq. Yard Kh. No. 142/749, Village Kanjawala, in the name of Sh. Vivek Garg.

* Vehicle loans from Banks are Secured against hypothecation of vehicle

** These loans are secured by way of personal gaurantee of the promoters of the company.

SCHEDULE IV - UNSECURED LOANS

From Directors and their Relatives	**941,146**	11,961,000
From Others (Inter Corporate Loans)	**7,378,000**	7,203,533
	8,319,146	19,164,533

SCHEDULES TO BALANCE SHEET
SCHEDULES TO BALANCE SHEET AND PROFIT & LOSS ACCOUNT

SCHEDULE V - FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at April 1, 2010	Addtions during he year	Sale/Adj. during the year	As At March 31, 2011	As At April 1 2010	Provided during the year	Deduction & Adj. during the year	As At March 2011	As At March 2011	As At March 2010
Tangible Assets:-										
Land - Leasehold	29,729,830	1,273,156	-	31,002,986	-	-	-	-	31,002,986	29,729,830
Buildings	15,946,373	15,674,682	2,126,710	29,494,345	1,096,442	954,412	-	2,050,854	27,443,491	14,849,931
Plant & Machinery	31,240,569	38,370,434	1,737,907	67,873,095	2,589,561	5,648,918	-	8,238,479	59,634,617	28,651,008
Furniture & Fittings	901,471	902,046	-	1,803,517	503,713	138,534	-	642,247	1,161,270	397,758
Vehicles	18,180,280	8,839,276	-	27,019,556	6,765,813	3,737,308	-	10,503,121	16,516,435	11,414,467
Office Equipments	6,945,806	1,265,258	622,101	7,588,962	2,548,560	660,727	-	3,209,287	4,379,675	4,397,246
Computer Equipments	2,645,272	352,392	-	2,997,664	1,725,573	419,843	-	2,145,416	852,248	919,699
TOTAL	105,589,600	66,677,244	4,486,718	167,780,126	15,229,662	11,559,742	-	26,789,404	140,990,722	90,359,938
Previous Year*	36,733,438	71,845,069	10,710,898	97,867,609	6,744,734	4,311,101	875,786	11,931,621	85,935,989	29,988,705

Notes : the Company acquired 100% stake in M/s Moonlite Technochem Private Limited w.e.f. September 1, 2010, hence the previous year figures are not comparative.

SCHEDULES TO BALANCE SHEET

SCHEDULES		AS AT 31.03.2011		AS AT 31.03.2010
SCHEDULE VI - INVESTMENTS				
Long Term Investments (At cost)				
(NonTrade, Unquoted)				
Investment in Bond		-		100,000
Other Investment		550,000		50,000
		550,000		150,000
Aggregate Value of Quoted Investment		-		-
Aggregate Market Value of Quoted Investment		-		-
Aggregate Book Value of Unquoted Investment		550,000		150,000
SCHEDULE VII - CURRENT ASSETS, LOANS & ADVANCES				
CURRENT ASSETS				
Inventories (at lower of cost or net realisable value):				
a. Chemicals	193,073,705		80,170,564	
b. Goods in Transit	579,075		1,035,754	
c. Inventory - Construction	5,310,146		5,310,146	
d. Inventory - Real Estate	8,686,793	207,649,718	8,686,793	95,203,257
Sundry Debtors				
Unsecured, Considered good (unless otherwise stated)				
Debts Outstanding (exceeding six months)	38,062,310		16,156,919	
Other Debts	270,019,566	308,081,876	170,331,461	186,488,380
Cash and Bank Balances				
Cash on hand	2,381,130		2,229,732	
Balances with Scheduled Banks				
a) On Current Accounts	439,369		914,393	
b) On Unpaid Dividend Accounts	5,031		-	
Balances with Non Scheduled Banks	153,599	2,979,129	9,950	3,154,074
Loans and Advances				
Unsecured, Considered good (unless otherwise stated)				
Advances recoverable in cash or in kind or for value to be received	88,168,035		52,503,730	
Advance to Suppliers	86,239,051		10,449,874	
Security Deposits	14,673,066		3,284,104	
Advance Income Tax	-	189,080,152	-	66,237,708
		707,790,876		351,083,420

SCHEDULES TO BALANCE SHEET

SCHEDULES		AS AT 31.03.2011		AS AT 31.03.2010
SCHEDULE VIII - CURRENT LIABILITIES & PROVISIONS				
CURRENT LIABILITIES				
Sundry Creditors				
a) Dues to Micro & Small Enterprises				
(Refer note no. 8 of Schedule XVIII)	-		-	
b) Dues to other than Micro & Small Enterprises	210,377,725		76,866,605	
Advances from Customers	7,863,417		3,735,049	
Bank Overdraft	5,125		378,918	
Other Liabilities	5,680,490		5,686,589	
Minority Interest in Sigma Enterprise	11,329,182	235,255,940	15,944,626	102,611,787
PROVISIONS				
Provision for Income Tax	1,158,433		3,375,000	
Provision for investment	-		100,000	
Proposed Dividend on Equity Shares	10,103,937		3,926,969	
Provision for Dividend Distribution Tax	1,678,138	12,940,508	652,230	8,054,199
		248,196,447		110,665,986
SCHEDULE IX - MISCELLANEOUS EXPENDITURE				
(To the extent not written off or adjusted)		391,661		664,806
		391,661		664,806

SCHEDULES TO PROFIT & LOSS ACCOUNT

Amount in Rs.

	For the year ended 31-03-2011	For the year ended 31-03-2010
SCHEDULE X - TURNOVER		
Sales (Net of Excise Duty)	1,174,607,585	608,864,765
Profit/(Loss) on Sale of Consignment	2,832,341	522,720
Commission Income	20,117,819	15,635,935
	1,197,557,745	625,023,420
SCHEDULE XI - OTHER INCOME		
Interest Income	753,105	371,236
Profit on Sale of Property	994,035	-
Excise Refund	9,713,843	-
Others	226,509	838,644
Rental Income	-	217,200
Exchange Fluctuation Gain	5,267,928	5,021,579
Liabilities / Provisions no longer required written back	100,000	-
Profit & Loss on Investment	-	514,196
Rebate & Discount Received	2,855,412	-
Miscellaneous Income	1,088,123	4,126,588
	20,998,955	11,089,444

SCHEDULES TO PROFIT & LOSS ACCOUNT

Amount in Rs.

		For the year ended 31-03-2011		For the year ended 31-03-2010
SCHEDULE XII- MANUFACTURING EXPENSES				
Consumable Stores & Spares		165,597		6,267
Custom Duty		47,766,212		21,804,907
Demurrage & Detention		756,873		390,565
Inland Haulage Charges		3,127,661		2,157,413
Wages		1,784,898		569,774
Freight & Cartage Inward		16,393,025		5,805,833
Excise Duty Difference		-		9,456
Power & Fuel		7,622,037		4,666,745
Loading & Unloading		2,333,732		815,129
Exchange Rate Fluctuation		53,000		122,041
Clearing & Forwarding		7,354,521		5,009,912
Packaging & Sampling Charges		105,230		-
Loss Due to Theft		-		74,042
Lab Chemical Expanses		207,554		-
		87,670,340		41,432,083
SCHEDULE XIII - (INCREASE) / DECREASE IN INVENTORIES				
Closing Stock : Chemicals & Construction		207,070,643		86,516,464
Less: Opening Stock : Chemicals & Construction		147,886,998		43,148,669
		(59,183,645)		(43,367,795)
SCHEDULE XIV - ADMINISTARTIVE AND SELLING EXPENSES				
Legal & Professional Charges		3,697,512		2,225,934
Travelling & Conveyance		2,862,431		1,788,415
Advertising & Sales Promotion		1,420,661		579,728
Rent		1,118,200		773,916
Freight & Cartage		4,269,035		5,395,989
Postage & Communication		1,352,843		220,154
Security Expenses		931,753		603,486
Insurance		823,623		591,437
Electricity & Water Expenses		894,864		41,413
Repair & Maintenance				
-Buildings	949,351		235,896	
-Plant & Machinery	272,032		385,850	
-Others	291,335	1,512,718	319,276	941,022
Vehicle Running& Maintenance		520,430		307,476
Board Meeting Expenses		156,794		160,000
Printing & Stationery		489,998		342,242
Testing & Sampling		194,277		276,652
Commission (other than sole selling agents)		162,050		406,156
Rebate & Discount		-		358,381
Payment to Auditors (Refer note no. 19 of Schedule XVIII)		272,210		230,000
Rates & Taxes		35,000		22,725
Donations		450,400		128,100
Subscription		131,718		-
Bad Debts & Advances Written Off		-		147,362
Loss on Sale of Fixed Assets (Net)		-		246,682
Miscellaneous Expenses		2,761,670		5,062,951
		24,063,188		20,850,221

SCHEDULES TO PROFIT & LOSS ACCOUNT

				Amount in Rs.
		For the year ended 31-03-2011		**For the year ended 31-03-2010**
SCHEDULE XV - PERSONNEL EXPENSES				
Salaries, wages, allowances, bonus and other benefits *		18,467,846		10,818,176
Contribution to provident and other funds		310,264		154,445
Staff Welfare		979,275		843,053
Staff Recruitment & Training Exp.		-		112,542
Gratuity		-		27,612
		19,757,385		11,955,828
* For Director's Remuneration (Refer note no. 19 of schedule XVIII)				
SCHEDULE XVI -FINANCIAL EXPENSES				
Interest on:				
- Term loans	3,643,594		166,772	
- Others (including interest on working capital loans)	29,505,308	33,148,901	17,073,083	17,239,855
Bank charges		1,892,785		698,805
		35,041,686		17,938,659
SCHEDULES - XVII - EARNING PER SHARE				
Calculation of profit for basic & diluted EPS				
Net profit before Tax		65,680,374		34,033,322
Less: Adjustment for tax expenses		2,218,061		3,482,969
Net profit for calculation of basic & diluted EPS		63,462,312		30,550,353
Weighted average number of equity shares in calculating basic EPS		7,882,430		7,853,937
Weighted average number of equity shares in calculating basic EPS		7,882,430		7,853,937
Basic earnings per share (in Rs.)		8.05		3.89
Diluted earnings per share (in Rs.)		8.05		3.89
Face / Nominal value per share (in Rs.)		10.00		10.00

Schedule XVIII : Notes to Accounts

1. Summary of significant accounting policies

(a) Basis of Consolidation and Preparation:

The Consolidated Financial Statements are prepared in accordance with Accounting Standard 21 (AS 21) on Consolidated Financial Statements as notified under the Companies (Accounting Standards) Rules, 2006, as amended. Reference in these notes to the Company, Holding Company, Companies or Group shall mean to include Vikas Globalone Limited ("VGL") ("The Company") or any of its subsidiaries, unless otherwise stated.

(b) Principles of Consolidation:

The Consolidated Financial Statements comprise of the Financial Statements of Vikas Globalone Limited ("Parent Company") and it's Subsidiary Enterprises. The Consolidated Financial Statements are prepared according to uniform accounting policies, in accordance with accounting principles generally accepted in India.

The Consolidated Financial Statements are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard 21 (AS 21) Consolidated Financial Statements as notified under the Companies (Accounting Standards) Rules, 2006, as amended.

(c) Goodwill / Capital Reserve:

The difference between the cost of investment in the subsidiaries and the net assets at the time of acquisition of shares in the subsidiaries is recognised in the Consolidated Financial Statements as Goodwill or Capital Reserve as the case may be. Goodwill/Capital Reserve represents the difference between the Company's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Company's share of net worth is determined on the basis of the latest financial statements of such subsidiaries, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

(d) Companies included in consolidation:

Name of the Enterprise	Proportion of ownership interest	Year / period ended included in consolidation
Moonlite Technochem Private Limited	100.00%	September 01, 2010 to March 31, 2011
Sigma Plastic Industries (Partnership Firm)	51.00%	April 01, 2010 to March 31, 2011

(e) Basis of presentation

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared as of an going concern under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company are consistent with those used in the previous year.

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

(f) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Hence, the differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

(g) Inventories

i) Raw Material is valued at lower of cost and net realizable value.

ii) Finished products are valued at lower of cost and net realizable value. Cost being the weighted average material cost & includes cost of conversion & other cost incurred in bringing the goods to their present location & condition. Closing balance of finished stock are accounted for on the basis of physically verified quantities.

iii) Packing Material, stores & spares parts are valued at lower of moving weighted average cost and net realizable value.

iv) Inventory on construction activities has been valued at cost incurred.

v) Obsolescence: Obsolete, slow moving & defective inventories are identified at the time of physical verification of inventories & wherever necessary provision is made for such inventories.

vi) Shortage / Excess of Packing Material, Stores & spares parts and finish goods arising from physical verification are charged/adjusted to consumption/production.

(h) Fixed assets, depreciation and amortization, impairment

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

· Depreciation on fixed assets are computed using written down value method, as per the rates and as per the manner prescribed in Schedule XIV of the Companies Act, 1956.

· Depreciation on additions / deletions to fixed assets is provided on pro-rata basis from/till the date the asset is put to use / discarded. Individual assets costing less than Rs. 5,000 are fully depreciated in the year of purchase.

At each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The reduction is treated as an impairment loss and is recognised in the Profit and Loss Account. If, at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the reassessed recoverable amount. Impairment losses previously recognized are accordingly reversed.

Goodwill arising on acquisition is amortized over a 5 year period.

(i) Investments

Investments are classified as long term or current investments. Long term investments are stated at cost and provision for diminution in their value, other than temporary, is recorded in the books of account. Current investments are stated at the lower of cost or fair value.

(j) Revenue recognition

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

i) *Sale of goods*

Revenue from sale of goods is recognized when significant risks and rewards of ownership of goods are transferred to the customers. Sales are net of sales return, free quantities delivered and trade discounts.

ii) *Interest*

Interest income from deposits and others is recognised on accrual basis (i.e. time proportion basis).

iii) *Construction contract*

The company follows complete contract method of accounting in respect of its construction activity. Under this method, the profit on unit sold is recognized only when the work in respect of the relevant unit is completed or substantially completed which is determined on technical estimations and the underlying sale deed is executed.

iv) *Profit on sale of investment*

Profit on sale of investment is recognised on the date of transaction of sale and is computed with reference to the cost of investments.

(k) Borrowing Costs:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue in the year in which they are incurred.

(l) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(m) Operating leases

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as an expense on a straight-line basis over the lease term in accordance with Accounting Standard 19 (AS 19) - Leases as notified under the Companies (Accounting Standards) Rules, 2006, as amended.

(n) Cash & cash equivalent

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(o) Cash Flow Statement

Cash Flows are reported using indirect method, whereby profit before tax is adjusted for efforts of transactions of non cash nature and any deferral or accruals of any past or future cash receipts or payments. The Cash Flows from regular revenue generating, financing and investing activity of the Company segregated.

(p) Employees retirement benefits

The Company's employee benefits primarily cover provident fund, gratuity and leave encashment.

Provident fund is **defined contribution schemes** and the Company has no further obligation beyond the contributions made to the fund. Contributions are charged to profit and loss account in the year in which it is due.

Leave encashment is paid as and when it becomes due to the employee.

(q) Taxes on Income

Tax expense comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act 1961.

Deferred income taxes are recognized for the future tax consequences attributable to timing differences between the financial statement income and taxable income for the year. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Unrecognized deferred tax assets of earlier periods are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which deferred tax assets can be realized.

(r) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. Contingent liability is disclosed for:

i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or,

ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

(s) Foreign Currency Transactions:

As stipulated in Accounting Standard 11, the effects of changes in foreign exchange rates, notified under the Companies (Accounting Standards) Rules, 2006, as amended.

i). **Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction to the foreign currency amount.

ii). **Conversion**

Foreign currency monetary items are converted to reporting currency using the closing rate. Non monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

iii). **Exchange Differences**

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded, are recognized as income or expense in the year in which they arise except those arising from investments in non-integral operations.

2. Commitments

a. Capital commitment

There are no contracts remaining to be executed on capital account and not provided for as at 31 March, 2011.

b. Lease commitment

The Company has taken various premises on operating leases. The lease rental of Rs. 2,94,000/- (Previous year Rs. 2,94,000/-) has been charged to Profit and Loss Account for the year ended March 31, 2011. The underlying agreements are executed for a period generally ranging from one year to three years, renewable at the option of the Company and the lessor. There are no restrictions imposed by such leases and there are no subleases.

The minimum rental payments to be made in future in respect of these operating leases are as under:

Minimum Lease Rentals	Year ending March 31, 2011	Year ending March 31, 2010
Within one year	2,94,000	2,94,000
Later than one year, not later than five years	2,94,000	5,88,000
Total	5,88,000	8,82,000

3. There is a Contingent Liability in form of Bank Guarantee of Rs. 15,36,000/- to be reported as at March 31, 2011.

Details of pending cases are given below:-

Particulars	Year ending March 31, 2011	Year ending March 31, 2010
Disputed demands/ show-cause notices under:-		
a) Income Tax cases	31,44,000	—
b) Customs Duty cases	5,33,266	5,33,266
c) VAT	88,000	3,83,000

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

5. Secured loans from banks include Rs. 1,10,15,343/- (Previous year Rs. 45,53,107/-) secured against hypothecation of respective vehicles. Amount repayable within one year in respect of such loans is Rs. 39,59,461/- (Previous year Rs. 26,55,776/-).

6. Secured Loans from banks includes a sum of Rs. 28,24,62,765 (Previous year Rs. 14,12,77,828/-) being cash credit limit are secured against hypothecation of—stock and book debts and various collateral securities. Secured Loan from bank also includes Term Loan of Rs. 3,83,36,831/- (Previous year Rs. 2,33,24,928/-) secured against Plant & Machinery and Land & Building. Amount repayable within one year in respect of such loan is Rs. 57,26,604/-.

7. Segmental reporting:-

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

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

i) Chemical Division

ii) Real estate projects

The above business segments have been identified and reported considering:

- The nature of the services
- The related risk and returns
- The internal financial reporting systems

(Amount Rs. in Lacs)

Particulars	**Year ending March 31, 2011**	**Year ending March 31, 2010**
Segment revenue:-		
Chemical Division	12,175.63	6,355.90
Real Estate Division	9.94	5.23
Total	12,185.57	6,361.13
Segment results:-		
Profit before interest and tax		
Chemical Division	978.35	512.72
Real Estate Division	9.94	-
	988.29	512.72
Less: Interest	331.48	172.39
Profit before tax	656.81	340.33
Capital employed:-		
Chemical Division	5,825.77	3,034.38
Real Estate Division	188.97	224.00
Total	6,014.74	3,258.38

The Company operates entirely in India and, accordingly, no disclosures are required under secondary segment reporting.

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

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

9. In the opinion of the Board of Directors of the Company, all Current Assets, Loans and Advances appearing in the balance sheet as at March 31, 2011 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet. Certain balances shown under current assets, current liability, loans and advances and balances with banks, are subject to confirmation / reconciliation.

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

10. Employee Benefit Obligation:-

During year ended March 31, 2011 the Company has contributed Rs. 257,804/- to provident fund under defined contributions plan of Employees' Provident Fund and Miscellaneous Provisions Act, 1952.

11. In the opinion of the Board of Directors, provision for diminution in the value of investment is Rs. Nil (Previous year Rs. 1,00,000/-) required in current year towards diminution in value of Long Term Investments, where the decline in value is temporary in nature.

12. As per the best estimate of the management, no provision is required to be made as per Accounting Standard 29 (AS 29) Provisions, Contingent Liabilities and Contingent Assets as notified under the Companies (Accounting Standards) Rules, 2006, as amended, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

13. Prior Period Items :-

Description	**Year ending March 31, 2011**	**Year ending March 31, 2010**
Expenses:-		
Service Tax input Reversed	104,926	—
Processing Charges of Car Finance	2,408	—
ESI / PF Exp.	—	105,929
Commission Exp.	10,709	—
Service Tax input w/o	23,190	—
Security Charges	51,692	—
Total(A)	192,925	105,929
Income:-		
Custom Duty Recoverable	—	2,67,472
Foreign Exchange Fluctuation	—	8,91,950
Commission Income	41,745	—
Total (B)	41,745	11,59,322
Grand Total (A-B)	151,180	(10,53,393)

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

Names of related parties and description of relationship:

Nature of Relationship	**Name of Party**
Subsidiary Company (100% share)	Moonlite Technochem Private Limited (*)
Subsidiary (51% share)	Sigma Plastic Industries (Partnership Firm)
Key Management Personnel	Mr. Nand Kishore Garg (CMD)
Key Management Personnel	Mr. Vikas Garg (Director)

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

Nature of Transaction	Associates	Key Management Personnel	Total
Sale	-	-	-
	(973,440)	-	(973,440)
Purchase	5,468,613	-	5,468,613
	(14,825,966)	-	(14,825,966)
Rent Paid	774,000	-	774,000
	-	-	-
Investment in shares	-	-	-
	(3,015,000)		(3,015,000)

In accordance with AS 18, disclosures in respect of transactions with identified related parties are given only for such period during which the relationship existed.

(*) During the current financial year, the company acquired 100% stake in Moonlite Technochem Private Limited (MTPL) on September 1, 2010 for Rs. 2,76,31,800/- and the total assets value of the company at the time of acquisition was Rs. 2,47,10,336. Therefore the excess amount paid on the net assets acquired was Rs. 29,21,464/- which is considered as goodwill of the company (MTPL).

15. Earnings per share:-

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

Particulars	**Year ending March 31, 2011**	**Year ending March 31, 2010**
Net Profit/(Loss) After Tax as per Profit and Loss Account (in Rs)	63,462,312	30,550,353
Weighted average no. of shares outstanding during the year	7,882,430	7,853,937
Basic and diluted Earnings Per Share (in Rs)	8.05	3.89
Nominal value per Equity Share (in Rs)	10/-	10/-

16. Deferred Tax:-
In compliance with Accounting Standard 22 (AS 22) - Accounting for Taxes on Income, as notified under the Companies (Accounting Standards) Rules, 2006, as amended, the Company has recognised deferred tax liabilities (net) in the Profit and Loss Account of Rs. 13,32,558/- (Previous year Rs.1,07,969/-) during the year ended March 31, 2011.

The breakup of Deferred Tax Liabilities into major components as at March 31, 2011 is as under:

	Year ending 31-3-2011	**Year ending 31-3-2010**
Deferred Tax Liabilities		
Arising on account of temporary differences due to:		
Excess of Book WDV of Fixed Assets over Tax WDV of Fixed Assets	1,998,158	665,600
Total	1,998,158	665,600

17. The Company has not entered into any foreign exchange derivative instruments during the year.

18. The scheme of amalgamation was filed under section 391 read with section 394 of the companies Act 1956 w.e.f. April 1, 2007 for the amalgamation of the following three transferor companies a) Hulchul International Private Limited, b) Vikas Utilities Private Limited, c) South Delhi Projects Private Limited, With the transfree company Vikas Globalone Limited (formally known as Vikas Profin Limited).
The Same has been approved by the High Court wide order no 18457/1 dated October 17, 2008. The amalgamation has been accounted for the manner specified in the Scheme, The Surplus of Rs. 9,65,934 arising out of amalgamation has been credited to Capital reserve Account.

19. Additional information pursuant to the provision of paragraph 3, 4, 4A, 4B, 4C and 4D of Part II of Schedule VI of the Companies Act, 1956 to the extent applicable are as follows:-

(a) Managerial remuneration:

Particulars	**Year ending 31-3-2011**	**Year ending 31-3-2010**
Salaries	660,000	360,000
Employer's Contribution to Provident Fund	—	—
TOTAL	660,000	360,000

(b) Auditors remuneration:

	Current Year	**Previous Year**
- Audit Fees & Tax Audit (exclusive of service tax)	*2,77,210/-*	*2,30,000/-*

(c) Expenses incurred in foreign currency during the year ended March 31, 2011 aggregates to:-

	Year ending 31-3-2011	**Year ending 31-3-2010**
Expenditures:-		
Purchase	340,478,116	233,047,470
Foreign Travelling	751,433	—
TOTAL	341,229,549	233,047,470

(d) CIF value of imports:

Particulars	Year ending 31-3-2011	Year ending 31-3-2010
Raw Material Purchased	340,478,116	233,047,470
Capital Goods (Including Spares)	1,281,684	—
TOTAL	341,759,800	233,047,470

(e) FOB value of export made during the year included in the sales amounting Rs. 17,08,560 (Previous Year: Rs. Nil)

(f) Information in respect of capacity and class of goods manufactured:- *(in Kgs)*

S. No.	PARTICULAR	Installed Capacity	Opening Stock	Purchases	Sales	Closing Stock
1	Heat Stabilizer (Tin Mate)	600,000	8,228	379,945	347,980	40,193
2	Calcite Powder*	7,200,000	141,220	2,361,224	2,410,542	91,902
3	ESBO Chemical**	1800,000	6,130	533,170	535,450	3,849
4	PVC/TPR/PET & Other Plastic Compounds	6,000,000	6,232	3,320,821	3,167,631	159,421
	Total		161,810	6,595,159	6,461,603	295,366

*The plant is under renovation to increase the productivity

** The Capacity of ESBO is under expansion from 900 tons per annum to 1800 tons per Annum.

(g) Details of Raw material consumed:- *(in Kgs.)*

PARTICULAR	OPENING STOCK	PURCHASES	VALUE	CONSUMPTION	CLOSING STOCK
Chlorinated Parrafin	-	145,500	4,167,283	138,250	7,250
CPE	-	26,500	2,039,031	26,500	-
Di-Octyl Phthalate (DOP)	-	48,900	4,752,014	48,900	-
Ethylhexyl Thiogycolate	8,074	202,000	8,754,619	176,214	33,861
Hydrozen Proxside 60%50	25,266	240,343	7,745,090	190,733	74,875
Industrial Chemical Blowing Agent	12,258	33,650	2,147,663	45,908	-
LLDPE INNOPLUS (3901-1090)	-	84,000	5,779,237	30,000	54,000
Lubricant	2,600	11,390	2,947,905	13,990	-
Marble Rubbles / Lumps	441,459	2,022,870	4,004,234	2,432,019	32,310
METHYL CHLORI DE PURE (GAS)	6,125	43,200	2,192,939	47,109	2,216
N-Oil	12,953	319,690	15,963,847	300,117	32,525
Polyethylene Polymers	-	53,611	6,817,754	53,611	-
Polystrene	16,312	177,375	13,860,776	157,141	36,546
PVC Resin	6,064	83,150	4,440,964	89,214	-
RSO Refined Soyabean Oil	1,778	522,045	28,344,398	497,283	26,540
SBS	159,314	1,056,063	128,180,282	1,031,833	183,545
Tin Alloy	241	63,475	69,366,571	63,307	409
Others	163840	3376705	92075550	3491496	49049
Total	856,282	8,510,467	403,580,155	8,833,624	533,125

(h) Information relating to turnover, purchase of goods and stocks in respect of goods trading:

(in Kgs.)

PARTICULAR	OPENING STOCK	PURCHASES	SALES	CLOSING STOCK
Calcite Powder	80,200	1,613,875	1,388,135	305,940
Cholrinated Polyethelene (CPE)	3,850	76,025	73,675	6,200
E.S.B.O	3,375	73,545	33,750	43,170
Ethylene Olafin Copolymer Tafmer	-	242,100	147,800	94,300
Heat Stablizer Tinmate Grade-201	1,977	77,300	71,380	7,897
Organic Peraxist Neurex	2,200	70,980	43,180	30,000
Others PVC Raw Material	423,003	3,131,709	3,523,191	31,521
Pet Resin	149,650	111,050	153,400	107,300
Polyolefin Elastomer	-	96,000	37,100	58,900
PVC Resin	561,485	3,732,625	3,359,310	934,800
STRENE BLOCK - CO PLOYNER- SBS	108,200	74,310	182,510	-
Styrene Butadienence Copolymers	18,580	98,750	80,580	36,750
Styrene Butadin Styrene (SBS)	74,505	801,000	837,365	38,140
TPR Compound	320	245,295	222,170	23,445
Others	96,800	302,512	231,235	182,117
TOTAL	1,524,144	10,747,075	10,384,781	1,900,479

20. Previous year’s figures have been regrouped, where necessary to confirm with current year’s classification.

AS PER OUR ATTACHED REPORT OF EVEN DATE

For and on behalf of the Board

For R.S.P.H. & Associates Chartered Accountants (Firm Regd No. 003013N)	**Dr. Nand Kishore Garg** Chairman & Managing Director	**Vikas Garg** Director	**Poonam Sharma** A.V.P (Accounts & Finance)
Tarun Batra (Partner) Membership No. 094318	**S.C. Tayal** Director	**Aditya Narayan Singh** Company Secretary	

Place: New Delhi
Date : 10-08-2011

CASH FLOW STATEMENT FOR THE PERIOD ENDING 31st MARCH, 2011

PARTICULARS		CURRENT YEAR FIGURES (AMOUNT IN Rs.'000)		PREVIOUS YEAR FIGURES (AMOUNT IN Rs.'000)
A). CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax and extraordinary items		850.10		340.33
Adjustments for				
a) Depreciation including Addl Dep Due to Change	115.60		43.11	
b) Foreign Exchange	-		(50.22)	
c) Profit on sale of investment	-		-	
d) Interest	-		-	
e) Dividends	-		-	
f) Profit on Sale of Fixed Assets	-		-	
Totals of Adjustments		115.60		(7.10)
CASH GENERATION		965.70		333.23
Additions				
a) Interest				
b) Expenses Written / Off	8.67		4.20	
c) Loss on Sale of Fixed Assets	-		2.47	
d) Profit on Sale of Fixed Assets	-		(0.20)	
e) Bad Debts w/off	-		-	
f) Loss on sale of Investment	-		-	
		8.67		6.47
Operating Profits before Working Capital Changes		974.37		339.69
Adjustments for Working Capital Changes				
a) Trade Receivables	(1,197.77)		(869.66)	
b) Inventories	(488.74)		(36.31)	
c) Advances	(1,050.13)		(346.22)	
d) Trade Payables	1,155.99		389.92	
		(1,580.64)		(862.27)
CASH GENERATION FROM OPERATIONS		(606.27)		(522.57)
Less :- Interest paid		-		-
Less :- Taxes paid		(23.91)		(34.83)
Cash Flow before Extraordinary items		(630.18)		(557.40)
Extra Ordinary items		1.35		50.22
Deferred Revenue Expenditures		-		-
NET CASH GENERATED FROM OPERATIONS		628.83		(507.19)

PARTICULARS		CURRENT YEAR FIGURES (AMOUNT IN Rs.'000)		PREVIOUS YEAR FIGURES (AMOUNT IN Rs.'000)
B). CASH FLOW FROM INVESTING ACTIVITIES				
a) Purchase of Fixed Assets	(630.48)		(612.00)	
b) Sales of Fixed Assets	8.57		7.15	
c) Assets Taken Over of Transferee Co's	-		-	
d) Sale-Purchases of Investments (Net)	(477.86)		73.78	
e) Profit/Loss Sale of Investments(Net)	-		(0.80)	
f) Interest Received	-		-	
g) Profit Share from Partnership Firm	201.18		-	
h) Defered Tax Assets	-		-	
Net Cash Flow From Investing Activities		(898.59)		(531.86)
C). CASH FLOW FROM FINANCING ACTIVITIES				
a) Receipt From Issue of Share Capital	725.09		-	
b) Shares and Reserves of Transferor Co's	(245.84)		-	
b) Proceeds From Long Term Borrowings	1,214.23		901.56	
c) Dividends Paid	(117.82)		(45.79)	
d) Unsecured Loans	(119.39)		(174.30)	
Net Cash Flow From Financing Activities		1,456.26		1,030.08
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		(71.16)		(8.97)
CASH AND CASH EQUIVALENTS AS ON 31.03.2010		100.94		36.73
CASH AND CASH EQUIVALENTS AS ON 31.03.2011		29.79		27.75

AS PER OUR ATTACHED REPORT OF EVEN DATE

For and on behalf of the Board

For R.S.P.H. & Associates
Chartered Accountants
(Firm Regd No. 003013N)

Dr. Nand Kishore Garg
Chairman & Managing Director

Vikas Garg
Director

Poonam Sharma
A.V.P (Accounts & Finance)

Tarun Batra
(Partner)
Membership No. 094318

S.C. Tayal
Director

Aditya Narayan Singh
Company Secretary

Place: New Delhi
Date : 10-08-2011

VIKAS GLOBALONE LIMITED

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

FORM OF PROXY

L. F. No. ....

D. P. ID* ....

Client ID* ....

I / We...of...

....being a member / members of Vikas GlobalOne Limited here by appoint

....of ....or failing him / her

....of...as my / our proxy to vote for me / us on my / our behalf at the 26th Annual General Meeting of the Company to held at 11.30 a.m. on 28th September, 2011 and any adjournment thereof.

Signed this...day of...2011.

Revenue Stamp

(Signature of the Share Holder)

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

VIKAS GLOBALONE LIMITED

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

ATTENDANCE SLIP

L. F. No. ....

D. P. ID* ....

Client ID* ....

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

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