

16th
ANNUAL
REPORT



2009-10



Vikas Granaries Limited

(formerly known as Adarsh Derivatives Limited)



16th ANNUAL REPORT

2009-10

Board of Directors

Bimla Devi Jindal
B.D. Agarwal
Megh Raj Jindal
Ravi Sharma
Mahesh Batra
Rakesh Jindal

Managing Director
Director
Director
Independent Director
Independent Director
Independent Director

Company Secretary

Ashish Bisht

AUDITORS

S. Prakash Aggarwal & Co.
Sri Ganganagar (Raj.)
Pin. 335001

Bankers

Axis Bank Ltd.

Registered Office

Hisar Road, Siwani
127046 (Harayana)

Plant

229, G.I.D.C. Industrial Estate,
Chandisar – 385510. (B.K.)
Gujarat

Contents

Notice	1
Directors' Report	2
Corporate Governance Report	4
Auditors' Report	7
Balance Sheet	10
Profit & Loss Account	11
Schedule to Accounts	12
Cash Flow Statement	20
Balance Sheet Abstract	21

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 16th Annual General Meeting of the Shareholders of VIKAS GRANARIES LIMITED will be held at the registered office of the Company on Tuesday, the 28th September, 2010 at 01.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2010, Profit and Loss Account for the year ended on the date and reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Ravi Sharma, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Sh. Rakesh Jindal, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

By Order of the Board

Sd/-

Date : 30.08.2010

Bimla Devi Jindal

Place : Sri Ganganagar

Managing Director

NOTES:

- i A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the company. A proxy may be sent in the form enclosed and in order to be effective must reach the registered office of the company atleast 48 hours before the meeting.
- ii The Directors' Report, Auditors' Report, Audited Balance Sheet as at 31st March 2010 and the Profit and Loss Account for the year ended on that date and Cash flow Statement are enclosed.
- iii Members are requested to notify change in their address, if any, quoting their Folio number.
- iv The Register of Members and Share Transfer Books in respect of the equity shares of the Company shall remain closed from 17th September 2010 to 25th September 2010 (both days inclusive.)

- v Members who have multiple accounts in identical names or joint accounts in same order are requested to sent all their relevant share certificate (s) at the Registered Office of the Company for consolidation of all such shareholdings into one account to facilitate better services.
- vi Members are requested to bring the copy of their Annual Report and the Attendance slip at the Annual General Meeting.
- vii Members desirous of obtaining any information concerning the accounts and operation of the Company are requested to address their questions to the Company so as to reach atleast seven days before the date of the meeting, so that the information required may be made available at the meeting, to the best extent possible.
- viii Under Section 205A read with Section 205C of the Companies Act, 1956, the Amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date for payment is required to be transferred to the Investor Education and Protection Fund of the Central Government.

By Order of the Board

Sd/-

Date : 30.08.2010

Bimla Devi Jindal

Place : Sri Ganganagar

Managing Director

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are presenting the 16th Annual Report along with the audited statement of accounts for the year ended on 31st March 2010, of your company.

FINANCIAL RESULTS:

(Rs. In Millions)

Items	Year Ended 31.03.2010	Year Ended 31.03.2009
1. Net Sales	1159.24	356.63
2. Other Income	0.12	0.02
3. Total Expenditure	746.52	251.33
4. Interest	11.70	2.45
5. Gross Profit/(loss) after Interest But before depreciation	401.14	102.87
6. Depreciation	71.52	3.99
7. Net profit/(loss) before tax	329.62	98.88
8. Tax expenses	112.02	31.90
9. Net profit/(loss) after tax	217.60	66.98

OPERATION

During the current year under review your company has achieved a total turnover of Rs.1159.24 million as Compare to that of Rs. 356.63 million in the previous year. During the year under review the company have a net profit Rs. 217.60 million as compare to net profit of Rs. 66.98 million in Previous Year. Therefore, our profit for the current year grew by 224.87% over the previous year.

DIVIDEND

The profit of the year used for expansion and modernization so, your Board does not recommend any dividend for the year ended on 31st March, 2010.

DIRECTORS

Mr. Ravi Sharma and Mr. Rakesh Jindal, who retire by rotation in accordance with the provisions of the companies Act, 1956, and being eligible, offer themselves for re-appointment.

AUDITORS

Your Auditors' report being self explanatory, and therefore does not call for any further comments or explanations by the Board of directors.

M/s. S.Prakash Aggarwal & Co., Sriganganagar, Statutory Auditors of the Company, retires at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. A certificate from the auditors to the effect that their re-appointment, if made, will be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956, has been received.

FIXED DEPOSITS

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

RELATED PARTY TRANSACTIONS

Related party transactions have been disclosed in the notes to the accounts.

PARTICULARS OF EMPLOYEES

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

CONSERVATION OF ENERGY

The information on Conservation of Energy required under Section 217(I)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is provided in page 3 of the annual report.

FOREIGN EXCHANGE EARNING AND OUTGOINGS

There is no foreign exchange earnings and outgoings during the year.

DIRECTOR'S RESPONSIBILITY STATEMENT

Your directors state that the audited accounts containing financial statement for 2009-10 are in full conformity with the requirements of the Companies Act and are audited by its statutory auditors. Your directors further state that: -

- In the preparation of the annual accounts, the applicable accounting standards have been followed:
- The appropriate accounting policies have been selected and applied consistently and judgements and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the company as at March 31, 2010.
- The proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act.1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities: and
- the annual accounts have been prepared on a going concern basis.
- Due to obsolete technology, company has replaced all the major plant and machineries with new ones thereby enhancing the production capacity to 20000 TPA.

INDUSTRIAL RELATIONS

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

CORPORATE GOVERNANCE

As per clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Corporate Governance together with a certificate from the Company's Auditors confirming compliance thereto is set out in the Annexure forming part of this report.

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

APPRECIATION

Your Board appreciates the commitment and contribution made by all its employees and support given by its shareholders, distributors, suppliers, bankers and all other business associates during the year.

Your involvement as shareholders is greatly valued. Your Directors look forward to your continuing support.

By Order of the Board

Sd/-

Date : 30.08.2010

Bimla Devi Jindal

Place : Sri Ganganagar

Managing Director

ANNEXURE TO THE DIRECTORS' REPORT

TECHNOLOGY ABSORPTION AND RESEARCH AND DEVELOPMENT

Company's own in house development and analytical lab continuously works on upgradation and modification of the present products to meet the requirements of the international market. Apart from this, no new technology was absorbed or adopted by the company during the year.

A. Conservation of Energy :-

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

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

- (1) Frequent checking of the capacitors.
- (2) Replacement of high power factor electric motors.
- (3) Timely greasing of the bearings of all the heavy machines.
- (4) Installation of servo stabilizer to boost the voltage.

By Order of the Board

Sd/-

Date : 30.08.2010

Bimla Devi Jindal

Place : Sri Ganganagar

Managing Director

CORPORATE GOVERNANCE

Company's philosophy on code of Corporate Governance

The Company's Philosophy on Code of Corporate Governance as adopted by the company is as under:

- Ensure that the quantity, quality and frequency of financial and managerial information, which management shares with the Board, fully places the board members in control of the company affairs;
- ensure that the Board exercise its fiduciary responsibilities towards shareholders and creditors, thereby ensuring high accountability;
- ensure that decision-making is transparent and documentary evidence is traceable through the minutes of the meetings of the Board/Committee thereof;
- the board, the employees and all concerned are fully committed towards maximizing long-term value to the shareholders and the company;
- ensure that the core values of the company are protected, and;
- ensure that the company upgrades itself from time to time to be at par with any other world class company in Guar Gum Polymers (GGP) Sector.

1. Board of Directors: -

a. Composition

As on the year ended 31st March 2010, the Board of Director consists of 6 members including 3 independent directors.

b. Attendance of each director upto 31st March, 2010 at the Board meetings and at last Annual General Meeting:

Name of the Director	Category	Attendance Particulars	
		Board meetings	Last AGM
Mrs. Bimla Devi Jindal	Managing Director	10	Yes
Mr. B. D. Agarwal	Director	09	Yes
Mr. Megh Raj Jindal	Director	7	Yes
Mr. Ravi Sharma	Independent Director	6	Yes
Mr. Mahesh Batra	Independent Director	7	No
Mr. Rakesh Jindal	Independent Director	6	No

c. None of the directors of the company holds membership of more than 10 board committees or hold chairmanship of more than 5 board committees.

d. The company has held 11 Board Meetings during the year. The meetings were held on 30.06.2009, 24.07.2009, 30.07.2009, 18.08.2009, 29.08.2009, 29.09.2009, 30.10.2009, 30.12.2009, 28.01.2010, 24.02.2010 and 31.03.2010.

- e. No payments were made during the year to Non Executive Directors towards sitting fees.

2. Share transfer and Investors Grievance Committee:-

The Company has re- constituted the Share transfer and Investors grievance committee comprising of Shri Mahesh Batra, Smt. Bimla Devi Jindal & Ravi Sharma.

- (a) Name of the Non-Executive Director heading the Committee: Sh. Mahesh Batra
- (b) Name and Designation of Compliance officer: Sh. Ashish Bisht (Company Secretary)

3. The company's shares are traded in dematerialised form at all Stock Exchanges where it is listed. To expedite the transfer in physical mode, share transfer committee has been delegated with necessary powers.

4. Audit Committee :-

The Audit committee comprises of three directors viz. Sh. Ravi Sharma, Mahesh Batra and Smt. Bimla Devi Jindal.

The constitution of Audit committee also meets with the requirements under Section 292 A of the companies Act, 1956.

The terms of reference stipulated by the Board to the Audit committee are, as contained under Clause 49 of the listing Agreement, as follows:

- (a) To investigate any activity within its terms of reference.
- (b) To seek information from any employee.
- (c) To obtain outside legal or other professional advice.
- (d) To secure attendance of outsiders with relevant expertise, if it considers necessary.
- (e) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (f) Recommending the appointment and removal of external auditor and fixation of audit fee.
- (g) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 1. Any change in accounting policies and practices.
 2. Major accounting entries based on exercise of prudence judgment by Management.

During the year, the Committee has met four times. The meetings were held on 30th June 2009, 29th July 2009, 29th October 2009 and 27th January 2010. All the committee members were present at all the meetings.

5. Remuneration Committee

The Remuneration of the directors is decided by the board of directors subject to the shareholders' approval, therefore the company has not constituted remuneration committee.

The remuneration given to Managing Director and Executive director in the f.y.2009-10 is as under:

Name	Designation	Total Remuneration
Mrs. Bimla Devi Jindal	Managing Director	NIL

6. General Body Meetings

The last three Annual General Meetings of the company were held as under:

Year	Location	Date	Time
2006-2007	Hisar Road, Siwani	27th Sept., 2007	10.00 a.m.
2007-2008	Hisar Road, Siwani	12th Aug., 2008	10.00 a.m.
2008-2009	Hisar Road, Siwani	30th Sept., 2009	01.00 p.m.

7. Means of Communication

- Half-Yearly results: As the results of the company are published in the Newspapers.
 - Quarterly results: Quarterly results are published in Western Times, English and Gujarati edition and Financial Express.
 - Website: www.vikasgranaries.in
 - Shareholder's information section forms part of the Annual Report.
 - There is no separate annexure in addition to Directors' report on Management's discussion and Analysis except incorporated in the Directors report itself.
8. No banker or Financial Institutions have direct or indirect role in appointment of the Directors of the Company.

9. Disclosures

- Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large.- None
 - Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, on any matter related to capital markets, during the last three years: - None
10. A separated section on Corporate Governance forms part of the Annual Report and a Certificate from Statutory Auditors confirming the compliance of the conditions, forms the part of this report.

11. General Share holders' Information

- Annual General Meeting
 - Date And Time : 28th September , 2010 at 01.00 p.m
 - Venue : Hisar Road, Siwani (Haryana)
- Book closure date : 17th Sept., 2010 to 25th Sept., 2010
- Dividend payment date : N.A
- Registered Office : Hisar Road, Siwani (Haryana)
- a. Equity shares Listed : 1. The Stock Exchange, on stock Exchanges at Mumbai, (code No.531518) : 2. The Jaipur Stock Exchange, Jaipur (code No. 767)
- b. Demat ISIN Numbers : ISIN 767B01014 in NSDL & CDSL
6. Stock Market Rate on BSE (in Rs. / per Share):

	Apr. 09	May 09	June 09	July 09	Aug 09	Sept 09	Oct 09	Nov 09	Dec 09	Jan 10	Feb 10	Mar 10
High	10.90	13.32	14.48	15.79	24.70	28.50	29.50	30.70	38.50	43.80	39.65	38.00
Low	7.00	7.69	10.85	12.01	16.55	19.20	23.55	23.75	26.95	32.80	28.15	24.25

- Registrar and Transfer Agents:
Link Intime India Pvt. Limited.
A-40, 2nd Floor, Naraina Industrial Area, Phase - II,
Near Batra Banquet Hall, New Delhi - 110028
- Distribution of shareholding Pattern as on 31st March 2010

No. of equity shares held	No. of folios	%	No. of Shares	%
Upto 500	4529	77.98	866971	4.79
501-1000	571	9.83	486126	2.68
1001-2000	317	5.46	502123	2.77
2001-3000	137	2.36	353592	1.95
3001-4000	51	0.88	181215	1.00
4001-5000	55	0.95	263177	1.45
5001-10000	64	1.10	485186	2.68
10001 and above	84	1.45	14979110	82.68
Total	5808	100.00	1,81,17,500	100.00

Shareholding pattern as on 31st March 2010

Category	Nos. of shares held	% to Total
Promoters	990000	5.46
Financial Institutions / Nationalized Banks & Mutual Fund	500000	2.76
Non-Resident Individuals/OCBs/Fil's	346883	1.91
Bodies Corporate	1067630	5.90
Resident Individuals	15212987	83.97
TOTAL	18117500	100.00

9. Dematerialisation of Share : Approximately 95.00% of the equity shares have been dematerialized upto 30th June 2010.
10. Outstanding GDRs/ ADRs/ Warrants or any convertible: The company has not issued any GDRs/ ADRs/Warrants instruments, conversion date and likely impact on equity of any convertible instrument.
11. Buy Back of shares : The Company has no plan to buy-back its equity shares.
12. Plant location : 229, G.I.D.C., Chandisar (B.K.) 385510. Gujarat
13. Address for Correspondence : Hisar Road, Siwani (Harayana)
14. **Certification under Clause 49 (I) (D) of the Listing Agreement**

All the Board Members and Senior Management personnel have affirmed compliance with the Codes of Conduct for Vikas Granaries Limited for the financial year ended 31st March, 2010.

For **VIKAS GRANARIES LIMITED**

Sd/-

Place : Sri Ganganagar **(Bimla Devi Jindal)**
Date : 30.08.2010 Managing Director

15. **Statement of Disclosure by Audit Committee to the Shareholders**

To

The Shareholders of
Vikas Granaries Limited

In terms of Clause 49 of the Listing Agreement regarding Corporate Governance, we the members of the Audit Committee disclose in respect of the Financial Year 2009-2010 that:

- 1) the Audit Committee has reviewed the Audited Financial Statement of the Company and held discussion on the quality of the accounting principles as applied and significant judgments affecting Company's financial statements;
- 2) the Audit Committee has discussed the quality of those principles as applied and judgments referred on (1) above under the circumstances;
- 3) the Chairman of the Audit Committee and its members after initial discussion amongst themselves, invited the Chairman and Executive Directors of the Company along with the Internal Auditor to discuss the various issues related to Audited Financial Statements of the Company. The Members of the Audit Committee discussed with the Management on the various issues

- 4) pertaining to the Audited Financial Statements; the Audit Committee, in reliance on the review and discussion conducted with Management in (1), (2) and (3) above, believed that the Company's financial statements are fairly presented in conformity with the generally accepted accounting principles in all material respects.

For and on Behalf of Audit Committee of
For **VIKAS GRANARIES LIMITED**

Sd/-

Place : Sri Ganganagar **Ravi Sharma**
Date : 30.08.2010 Chairman, Audit Committee

AUDITOR'S CERTIFICATE

To The Members of **VIKAS GRANARIES LIMITED**

We have examined the report of Corporate Governance presented by the Board of Directors of VIKAS GRANARIES LIMITED for the year ended on 31st March, 2010 as stipulated in clause 49 of the listing agreement of the company with the Stock Exchanges.

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

In our opinion and according to the information and explanations given to us, the Company has complied with the conditions of corporate governance, to the extent applicable and as stipulated in the aforesaid listing agreement.

We state that no investor grievance is pending for a period exceeding one month against the company as per records maintained by the Shareholders' Grievance Committee.

We further state that such compliance is neither any 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 **S. Prakash Aggarwal & Co.**
Chartered Accountants

Place : Sriganganagar Sd/-
Date : 30th August, 2010 Proprietor
Membership No. 74813

Auditor' Report

To

The Members of Vikas Granaries Limited (formerly known as Adarsh Derivatives Limited)

1. We have audited the attached Balance Sheet of Vikas Granaries Limited (Formerly known as Adarsh Derivatives Limited), (the 'Company') as at March 31, 2010, and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto (collectively referred as the 'financial statements'). 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 the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by 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 (the 'Order') (as amended), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 (the 'Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order
4. Further to our comments in the Annexure referred to above, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 financial statements dealt with by this report are in agreement with the books of account;

- d. On the basis of written representations received from the directors, as on March 31, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
- e. In our opinion and to the best of our information and according to the explanations given to us, the financial statements dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act and the Rules framed there under and give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, in the case of:
 - i) the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
 - ii) the Profit and Loss Account, of the profit for the year ended on that date; and
 - iii) the Cash Flow Statement, of the cash flows for the year ended on that date;

for **S. Prakash Aggarwal & Co**
Chartered Accountants

Sd/-

by **S.P. Aggarwal**

Proprietor

Membership No. 74813

Place : Sriganganagar

Date : May 28, 2010

Annexure to the Auditors' report of the even date to the members of Vikas Granaries Limited (Formerly known as Adarsh Derivatives Limited) on the financial statements for the year ended March 31, 2010

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that

- (i) a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) A significant portion of the fixed assets has been physically verified & certified by the management during the year. In our opinion, the frequency of verification of the fixed assets is reasonable having regards to the size of the Company and nature of its assets. The material discrepancies noticed have been properly dealt with in the books of account.
- c) In our opinion, a substantial part of fixed assets have not been disposed off during the year.
- (ii) a) The inventory has been physically verified and certified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(b) to (d) of the Order are not applicable.
- (iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. The Company is not providing any services.
- (v) (a) In our opinion, the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Act have been so entered.
- (b) In our opinion, the transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time
- (vi) The Company has not accepted any deposits from the public within the meaning of sections 58A and 58AA of the Act and the Companies (Acceptance of Deposits) Rules, 1975. Accordingly, the provisions of clause 4(vi) of the Order are not applicable.
- (vii) The Company has an internal audit system, commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods. We have not observed any continuing failure to correct major weakness in internal control during the course of audit.
- (viii) To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act, in respect of Company's products. Accordingly, the provisions of clause 4(viii) of the Order are not applicable.
- (ix) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service-tax, custom duty, excise duty, cess and other material statutory dues, as applicable, have been regularly deposited with the appropriate authorities. No undisputed amounts payable in respect thereof were outstanding at the year end for a period of more than six months from the date they became payable.
- (x) In our opinion, the Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year.
- (xi) In our opinion, the Company has not defaulted in repayment of dues to a bank or financial institution. There are no debenture holders.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable.

- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Accordingly, the provisions of clause 4(xiii) of the Order are not applicable.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.
- (xv) The Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 4(xv) of the Order are not applicable.
- (xvi) The Company did not have any terms loans outstanding during the year. Accordingly, the provisions of clause 4(xvi) of the Order are not applicable.
- (xvii) In our opinion, no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the Company.
- (xix) The Company has neither issued nor had any outstanding debentures during the year. Accordingly, the provisions of clause 4(xix) of the Order are not applicable.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, the provisions of clause 4(xx) of the Order are not applicable.
- (xxi) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

for **S. Prakash Aggarwal & Co**
Chartered Accountants

Sd/-

by **S.P. Aggarwal**

Place : Sriganganagar

Proprietor

Date : May 28, 2010

Membership No. 74813

VIKAS GRANARIES LIMITED
(Formerly known as ADARSH DERIVATIVES LIMITED)
Balance Sheet as at March 31, 2010

	Schedule		March 31, 2010 (Rs.)	March 31, 2009 (Rs.)
SOURCE OF FUNDS				
SHAREHOLDER'S FUND:				
			600,502,446	382,911,415
Share capital	1	181,175,000	181,175,000	
Reserves and surplus	2	419,327,446	201,736,415	
Loan funds:				
			1,202,493,151	1,100,000,000
Secured loan	3	102,493,151	-	
Unsecured loans	4	1,100,000,000	1,100,000,000	
Deferred tax liability:				
			25,317,655	2,381,574
Deferred tax liability (net)	5	25,317,655	2,381,574	
TOTAL:			1,828,313,252	1,485,292,989
APPLICATIONS OF FUNDS				
Fixed Assets:				
	6		1,559,505,658	1,413,708,409
Gross block		1,017,605,121	985,691,103	
Less: Depreciation		(107,244,729)	(35,720,722)	
		910,360,392	949,970,381	
Capital work in progress		649,145,266	463,738,027	
Investments:				
	7		13,384	13,384
Current Assets Loans & Advances:				
			268,314,210	70,851,196
Inventories	8	124,400,522	48,698,627	
Sundry debtors	9	125,968,531	45,924,186	
Cash and bank balances	10	19,682,095	11,034,917	
Other current assets	11	2,545,600	2,627,192	
		272,596,748	108,284,921	
Less : Current liabilities & Provisions				
Liabilities	12	2,580,796	6,781,803	
Provisions	12	1,701,742	30,651,923	
		4,282,538	37,433,726	
Miscellaneous expenditure				
(to the extent not written off)	13		480,000	720,000
TOTAL			1,828,313,252	1,485,292,989
Significant accounting policies	21			
Notes to the financial statements	22			

The schedules referred to above form an integral part of the financial statements.

Sd/-
Bimla Devi Jindal
Managing Director

For and on behalf of the board of directors
Sd/-
B.D. Agarwal
Director

Sd/-
Ashish Bisht
Company Secretary

For S. Prakash Aggarwal & Co
Chartered Accountants

Sd/-
(S.P. Aggarwal)
Proprietor

Membership number: 74813

Place : Sri Ganganagar
Date : May 28, 2010

VIKAS GRANARIES LIMITED
(Formerly known as ADARSH DERIVATIVES LIMITED)
Profit and Loss Account for the period ended March 31, 2010

	Schedule	March 31, 2010 (Rs.)	March 31, 2009 (Rs.)
INCOME			
Sales	14	1,159,241,163	356,628,664
Other income	15	116,805	15,267
Increase / (Decrease In Stock)	16	<u>6,170,858</u>	<u>9,314,587</u>
		<u>1,165,528,826</u>	<u>365,958,518</u>
EXPENDITURE			
Raw material consumed	17	708,668,420	240,468,075
Manufacturing overheads	18	41,317,885	18,362,810
Administrative expenses	19	2,463,473	1,571,890
Financial charges	20	11,703,238	2,452,045
Depreciation	6	71,524,007	3,992,041
Miscellaneous expenses written off		<u>240,000</u>	<u>240,000</u>
		<u>835,917,023</u>	<u>267,086,860</u>
Net Profit Before Tax		329,611,803	98,871,658
Provision For Tax			
- Current tax		89,084,691	30,528,341
- Fringe benefit tax		-	22,644
- Deferred tax		22,936,081	1,344,986
Net Profit After Tax		217,591,031	66,975,688
Balance brought forward		67,906,571	930,883
Balance carried forward		<u>285,497,602</u>	<u>67,906,571</u>
Earning per share (basic and diluted)		12.01	5.33
Significant accounting policies	21		
Notes to the financial statements	22		

The schedules referred to above form an integral part of the financial statements.

Sd/-
Bimla Devi Jindal
Managing Director

For and on behalf of the board of directors
Sd/-
B.D. Agarwal
Director

Sd/-
Ashish Bisht
Company Secretary

For S. Prakash Aggarwal & Co
Chartered Accountants

Sd/-
(S.P. Aggarwal)
Proprietor

Membership number: 74813

Place : Sri Ganganagar
Date : May 28, 2010

VIKAS GRANARIES LIMITED
(Formerly known as ADARSH DERIVATIVES LIMITED)
Schedules forming part of the financial statements as at March 31, 2010

	Current Year 2009-10	Previous Year 2008-09
SCHEDULE : 1		
Authorised Capital		
60,000,000 Equity shares of Rs. 10 each	<u>600,000,000</u>	<u>310,000,000</u>
Issued , Subscribed & paid up capital		
18,117,500 Equity shares of Rs.10 each fully paid up	<u>181,175,000</u>	<u>181,175,000</u>
	<u><u>181,175,000</u></u>	<u><u>181,175,000</u></u>
SCHEDULE : 2		
Reserves and Surplus		
Subsidy	179,844	179,844
Securities premium	133,650,000	133,650,000
Profit and loss account	<u>285,497,602</u>	<u>67,906,571</u>
	<u><u>419,327,446</u></u>	<u><u>201,736,415</u></u>
SCHEDULE : 3		
Secured loans		
- Loan from financial institution	<u>102,493,151</u>	-
	<u><u>102,493,151</u></u>	<u><u>-</u></u>
SCHEDULE : 4		
Unsecured loans		
- Loan from directors	<u>1,100,000,000</u>	<u>1,100,000,000</u>
	<u><u>1,100,000,000</u></u>	<u><u>1,100,000,000</u></u>
SCHEDULE : 5		
Deferred tax liability (net)	<u>25,317,655</u>	<u>2,381,574</u>
	<u><u>25,317,655</u></u>	<u><u>2,381,574</u></u>
SCHEDULE : 7		
Investments		
National Saving Certificate	<u>13,384</u>	<u>13,384</u>
	<u><u>13,384</u></u>	<u><u>13,384</u></u>
SCHEDULE : 8		
Inventories		
Finished goods	19,712,745	13,541,887
Raw material	104,021,730	34,652,418
Packing materials	582,793	415,663
Consumables	<u>83,254</u>	<u>88,659</u>
	<u><u>124,400,522</u></u>	<u><u>48,698,627</u></u>
SCHEDULE : 9		
Sundry Debtors : (Unsecured , considered good , unless stated otherwise)		
Outstanding for a period exceeding six months	938,523	938,523
Outstanding less than six months	<u>125,030,008</u>	<u>44,985,663</u>
	<u><u>125,968,531</u></u>	<u><u>45,924,186</u></u>

VIKAS GRANARIES LIMITED
(Formerly known as ADARSH DERIVATIVES LIMITED)
Schedules forming part of the financial statements as at March 31, 2010

SCHEDULE : 6
Fixed assets

Particulars	Gross block		Accumulated depreciation		Net block	
	31.03.2009	Addition	Sales/Tfd.	31.03.2010	Up To	Up to
					31.03.2009	31.03.2010
Vehicles	1,884,911	-	-	1,884,911	558,269	379,203
Furniture	577,668	-	-	577,668	129,292	92,725
Office Equipment	785,748	-	-	785,748	447,377	410,054
Plant & Machinery	954,779,124	-	-	954,779,124	926,576,584	855,731,973
Land	14,769,879	31,914,018	-	46,683,897	14,769,879	46,683,897
Office Building	246,300	-	-	246,300	193,105	189,091
Building	12,647,473	-	-	12,647,473	7,295,875	6,873,450
Total	985,691,103	31,914,018	-	1,017,605,121	949,970,381	910,360,392

VIKAS GRANARIES LIMITED
(Formerly known as ADARSH DERIVATIVES LIMITED)
Schedules forming part of the financial statements as at March 31, 2010

	Current Year 2009-10	Previous Year 2008-09
SCHEDULE : 10		
Cash and Bank Balances		
Cash in hand	203,076	58,410
Foreign exchange in hand	131,400	131,400
Bank balance in current accounts	<u>19,347,619</u>	<u>10,845,107</u>
	<u><u>19,682,095</u></u>	<u><u>11,034,917</u></u>
SCHEDULE : 11		
Current Assets		
MAT Credit	1,747,430	1,747,430
TDS receivable	37,662	37,662
Other current assets	2,208	83,800
Security With GSEB	<u>758,300</u>	<u>758,300</u>
	<u><u>2,545,600</u></u>	<u><u>2,627,192</u></u>
SCHEDULE : 12		
Current Liabilities		
Sundry creditors	2,174,949	6,549,869
Tax deducted at source	35,981	78,043
Provision for Income Tax	1,584,691	30,528,341
Provision for expenses	117,051	123,582
Salary payable	<u>369,866</u>	<u>153,892</u>
	<u><u>4,282,538</u></u>	<u><u>37,433,726</u></u>
SCHEDULE : 13		
Miscellaneous expenditure		
Fee paid to registrar of companies	<u>480,000</u>	<u>720,000</u>
	<u><u>480,000</u></u>	<u><u>720,000</u></u>
SCHEDULE : 14		
Sales		
Guar Gum Powder & Splits	<u>1,159,241,163</u>	<u>356,628,664</u>
	<u><u>1,159,241,163</u></u>	<u><u>356,628,664</u></u>
SCHEDULE : 15		
Other Income		
Scrap sales	<u>116,805</u>	<u>15,267</u>
	<u><u>116,805</u></u>	<u><u>15,267</u></u>

VIKAS GRANARIES LIMITED
(Formerly known as ADARSH DERIVATIVES LIMITED)
Schedules forming part of the financial statements as at March 31, 2010

	Current Year 2009-10	Previous Year 2008-09
SCHEDULE : 16		
Increase / Decrease in stock		
Closing stock of finished goods	19,712,745	13,541,887
Less : Opening stock of finished goods	<u>(13,541,887)</u>	<u>(4,227,300)</u>
	<u>6,170,858</u>	<u>9,314,587</u>
SCHEDULE : 17		
Raw Material Consumed		
Opening stock of raw material	34,652,418	14,535,053
Raw material purchase	778,037,732	260,585,440
Less : Closing stock	<u>(104,021,730)</u>	<u>(34,652,418)</u>
	<u>708,668,420</u>	<u>240,468,075</u>
SCHEDULE : 18		
Manufacturing overheads		
Chemicals	334,950	153,122
Contribution to provident fund	17,028	13,521
Freight Inward & Outward	13,878,378	7,025,445
Grading & Sorting expenses	3,671,268	1,856,447
Packing Material	2,880,687	1,125,663
Power & Fuel	17,419,612	6,257,178
Repair & Maintenance	339,035	123,395
Stores & Spares Consumed	109,970	82,375
Wages, Salaries & allowances	2,666,957	1,725,664
	<u>41,317,885</u>	<u>18,362,810</u>
SCHEDULE : 19		
Administrative expenses		
Advertisement expenses	176,919	145,057
Corporate expenses	1,226,980	550,436
Insurance expenses	128,726	150,365
Legal & Professional Charges	110,605	6,000
Motor Car expenses	231,690	154,256
Office expenses	218,796	234,298
Rates & Taxes	12,080	6,235
Remuneration to Auditors	50,000	18,000
Telephone, Postage & Stationary	172,159	237,232
Travelling expenses	69,278	8,395
Vehicle running expenses	66,240	61,616
	<u>2,463,473</u>	<u>1,571,890</u>
SCHEDULE : 20		
Financial Charges		
Bank Charges	1,344,430	24,996
Interest	10,358,807	2,427,049
	<u>11,703,238</u>	<u>2,452,045</u>

VIKAS GRANARIES LIMITED (formerly known as Adarsh Derivatives Limited)

Schedules forming part of the financial statements for the year ended March 31, 2010

Schedule: 21

Significant accounting policies

1) Basis of preparation of financial statements

The financial statements of Vikas Granaries Limited (Formerly known as Adarsh Derivatives Limited) ("the Company") have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting standards) Rule 2006 issued by the Central Government in exercise of the power conferred under sub-section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956 (the 'Act'). The financial statements have been prepared under the historical cost convention on accrual basis.

2) Use of estimates

In preparing the Company's financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period; actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

3) Fixed Assets

- i. Fixed Assets are stated at cost less accumulated depreciation and impairment losses if any.
- ii. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use.
- iii. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit (including capital profit) or loss, if any, is reflected in the Profit and Loss account.
- iv. Self fabricated fixed assets include material cost and appropriate share of attributable expenses.

4) Depreciation

Depreciation on all assets of the company has been provided on straight line basis at the rates specified in Schedule XIV to the Act.

5) Employee benefits

i. Provident fund

The Company makes contribution to statutory provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

ii. Other short term benefits

Expenses in respect of other short term benefits including performance bonus is recognized on the basis of amount paid or payable for the period during which services are rendered by the employee.

6) Taxation

Tax expense comprises current taxes, deferred taxes and fringe benefit taxes.

Provision for current taxation is ascertained on the basis of the assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets relating to timing differences are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

7) Contingent liabilities and provisions

Depending upon the facts of each case and after due evaluation of legal aspects, claims against the Company not acknowledged as debts are treated as contingent liabilities. The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made. Possible future or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, has been made as a contingent liability in the financial statements.

8) Earnings per share

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split.

9) Revenue recognition

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

Sale of goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the customer. In case of export sales, revenue is recognized after shipment.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

10) Inventories

Inventories are valued as follows:

Raw materials, stores and spares and packaging materials	Lower of cost and net realizable value. Cost is determined on a weighted average basis.
Work in progress and finished goods	Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

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

11) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. 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 if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

12) Miscellaneous expenditure

Fee paid to Registrar of companies for the increase in authorized capital will be amortized over a period of five years.

VIKAS GRANARIES LIMITED
(formerly known as Adarsh Derivatives Limited)

Schedules forming part of the financial statements for the year ended March 31, 2010

Schedule: 22

Notes to the financial statements

1. Vikas Granaries Limited (Formerly known as Adarsh Derivatives Limited) was incorporated in the year 1994. The shares of the Company were listed on Bombay Stock Exchange Limited ("the stock exchange") and other stock exchanges in India in 1996. The Company is an agro based industry manufacturer of Guar Gum Powder and its derivatives.
2. During the year the Company has raised its authorized share capital from 31,000,000 equity shares of Rs.10 each to 60,000,000 equity shares of Rs.10 each.
3. The Company is engaged in the business of manufacturing of guar gum and its derivatives which as per Accounting Standard 17 on "Segment Reporting" is considered to be the only reportable business segment.
4. Information pursuant to paragraph 3, 4C & 4D of part II of Schedule VI of the Companies Act, 1956.

(a) Licensed capacity and installed capacity:

Quantitative details	March 31, 2010	March 31, 2009
	Metric tones per annum	Metric tones per annum
Licensed and installed capacity per annum - Guar Gum Powder	20,000	12,000

1. As certified by management and relied upon by the Auditors, being a technical matter.

(b) Particulars of raw material consumed, sales and stock of finished goods

Quantitative details	March 31, 2010		March 31, 2009	
	Quantity in MT	Amount (Rs. in lacs)	Quantity in MT	Amount (Rs. in lacs)
Raw material consumed - Guar split and others	16,144.60	7,086.68	5,935.29	2,404.68
Finished Goods (Guar Gum Powder/Refined Guar Gum)				
Opening stock	300.29	135.42	90.00	42.27
Production	16,144.60	-	5,935.29	-
Sales 16,020.96	11,592.41	5,725.00	3,566.29	
Closing stock	423.93	197.13	300.29	135.42

(c) Net value of imported and indigenous material consumed and percentage thereof:

	March 31, 2010		March 31, 2009	
	Percentage	Value (Rs. in lacs)	Percentage	Value (Rs. in lacs)
i) Raw material Indigenous	100%	7,086.68	100%	2,404.68
ii) Stores and spare parts Indigenous	100%	1.17	100%	Rs. 1.23
Imported	-	-	-	-

5. Information required as per the Micro, Small and Medium Enterprises Development Act, 2006
The Company has requested its vendors to confirm their status under Micro, Small and Medium Enterprises Development Act, 2006. Based on the confirmations received, there are no amounts due to any micro or small enterprise under the MSMED Act, 2006.
6. Commitments and contingent liabilities
Firm capital commitments
Estimated amount of contracts remaining to be executed on capital account Rs 117.54 lacs (Previous year Rs. 284.05 lacs).
7. Previous year figures have been regrouped or recast wherever necessary to make them comparable with those of the current year.

Sd/-
Bimla Devi Jindal
Managing Director

Sd/-
B.D. Agarwal
Director

Sd/-
Ashish Bisht
(Company Secretary)

Place : Sri Ganganagar
Date : May 28, 2010

VIKAS GRANARIES LIMITED
(Formerly known as ADARSH DERIVATIVES LIMITED)
Cash Flow Statement For Year Ended 31st March, 2010

	Year Ended March 31, 2010 (Rs.)	Year Ended March 31, 2009 (Rs.)
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & extra ordinary adjustments	329,611,803	98,871,658
Adjustment for:		
Depreciation	71,524,007	3,992,041
Miscellaneous expenses written off	240,000	240,000
Interest Paid	<u>11,703,238</u>	<u>2,452,045</u>
	<u>83,467,245</u>	<u>6,684,086</u>
Operating profit before working capital changes	<u>413,079,048</u>	<u>105,555,744</u>
Adjustment for:		
Trade and other receivables	(80,044,345)	(13,851,325)
Inventories	(75,701,895)	(29,608,604)
Trade Payable	(33,151,188)	19,405,390
Other Current Assets	<u>81,592</u>	<u>(83,800)</u>
	<u>(188,815,836)</u>	<u>(24,138,339)</u>
Cash generated from operations	<u>224,263,212</u>	<u>81,417,405</u>
Income tax	(89,084,691)	(30,528,341)
Fringe benefit tax	-	(22,644)
Cash Flow before extra-ordinary adjustments	<u>135,178,521</u>	<u>50,866,420</u>
Extra ordinary items	-	-
NET CASH OPERATING ACTIVITIES	<u>135,178,521</u>	<u>50,866,420</u>
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(217,321,256)	(1,375,378,209)
Miscellaneous expenditure not written off	-	-
NET CASH USED IN INVESTING ACTIVITIES	<u>(217,321,256)</u>	<u>(1,375,378,209)</u>
C) CASH FLOW FROM FINANCING ACTIVITIES :		
Unsecured loans	-	1,082,633,600
Proceeds from preferential allotment of shares	-	255,150,000
Decrease in working capital loans	102,493,151	-
Interest paid	(11,703,238)	(2,452,045)
NET CASH USED IN FINANCING ACTIVITIES	<u>90,789,913</u>	<u>1,335,331,555</u>
NET INCREASE IN CASH AND EQUIVALENTS	<u>8,647,178</u>	<u>10,819,766</u>
CASH AND CASH EQUIVALENTS AS AT 31ST MARCH (Opening Balance)	<u>11,034,917</u>	<u>215,151</u>
CASH AND CASH EQUIVALENTS AS AT 31ST MARCH (Closing Balance)	<u>19,682,095</u>	<u>11,034,917</u>
	<u>8,647,178</u>	<u>10,819,766</u>

Sd/-
Bimla Devi Jindal
Managing Director

For and on behalf of the board of directors
Sd/-
B.D. Agarwal
Director

Sd/-
Ashish Bisht
Company Secretary

This is the Cash Flow Statement referred to in our report of even date.

For **S. Prakash Aggarwal & Co**
Chartered Accountants

Sd/-
(S.P. Aggarwal)
Proprietor

Membership number: 74813

Place : Sri Ganganagar

Date : May 28, 2010

PART - IV

Balance Sheet Abstract and Company's General Business Profile

Registration Details

I.	Registration No.	36433	State Code	05
	Balance Sheet	31 - 3 - 2010		
	Date	Date Month Year		

II. Capital Raised during the Year (Amount in Rs. Thousand)

Public Issue	- NIL -	Rights Issue	- NIL -
Bonus Issue	- NIL -	Private Placement	- NIL -

III. Position of Mobilisation and Development of Funds (Amount in Rs. Thousand)

Total Liabilities	Total Assets
1 8 2 8 3 1 3	1 8 2 8 3 1 3

Source of Funds

Paid-up Capital	Reserves & Surplus
1 8 1 1 7 5	4 1 9 3 2 7
Unsecured Loan	Deferred Tax Liability
1 1 0 0 0 0	2 5 3 1 8

Application of Funds

Net Fixed Assets	Investment
1 5 5 9 5 0 6	1 3
Net Current Assets	Misc. Expenditure
2 6 8 3 1 4	4 8 0

IV. Performance of Company (Amount in Rs. Thousands)

Turnover [Including Other Income]	Total Expenditure
1 1 5 9 3 5 8	8 2 9 7 4 6
Profit/Loss Before Tax	Profit/Loss After Tax
3 2 9 6 1 2	2 1 7 5 9 1
Earning Per Share in Rs.	Dividend rate %
12.01	N I L

V. Generic Names of Principal Product of the Company

Product	Item Code No.(ITC Code)
GUAR GUM TREATED & PULVERISED	13023203
GUAR GUM REFINED SPLIT	13023202
CATTLEFEED	23099009

NOTES

A series of horizontal dotted lines for writing notes.

VIKAS GRANARIES LIMITED

(formerly known as Adarsh Derivatives Limited)
Registered Office : HISAR ROAD, SIWANI-127046
(HARYANA)

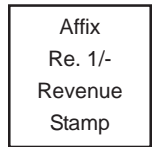
PROXY FORM

I/We, the undersigned as Equity Shareholders (s) of the company Vikas Granaries Limited hereby appoint Mr./Mrs. of and failing him/her, Mr./Mrs. of as my/our proxy to vote for me/us at the Annual General Meeting of the Equity Shareholders to be held on Tuesday the 28th day of September, 2010 at 01.00 P.M. at the Registered Office of the Company at Hisar Road, Siwani-127046, Distt. Bhiwani, Haryana and any adjournment thereof.

Signature.....

Note :

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



VIKAS GRANARIES LIMITED

(formerly known as Adarsh Derivatives Limited)
Registered Office : HISAR ROAD, SIWANI-127046
(HARYANA)

ATTENDANCE SLIP

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

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

I hereby record my presence at the Annual General Meeting of the Equity Shareholders to be held on Tuesday the 28th day of September, 2010 at 01.00 P.M. at the Registered Office of the Company at Hisar Road, Siwani-127046, Distt. Bhiwani, Haryana and any adjournment thereof.

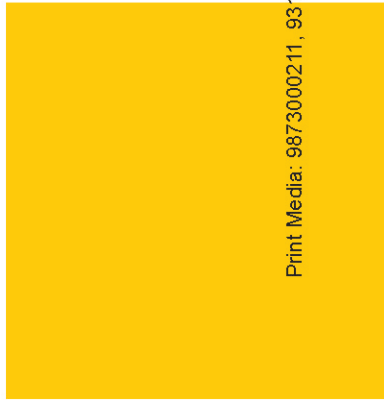
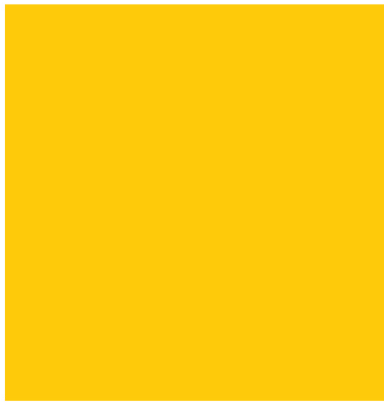
.....
Signature of Shareholder/Proxy



VIKAS GRANARIES LIMITED

(Formerly Known as
Adarsh Derivatives Limited)





VIKAS GRANARIES LIMITED

Regd. Office : Hisar Road, Siwani (Haryana)

Plant : 229, G.I.D.C., Industrial Estate,

Chandisar - 385510 (B.K.) Gujarat