

22nd annual report

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Vinod Singh
Director



inspires growth

VIKAS PROFIN LIMITED



inspires growth

VIKAS PROFIN LIMITED

BOARD OF DIRECTORS

Dr. Nand Kishore Garg	Chairman & Managing Director
Purshottam Dass Bhoot	Director
Sumer Chand Tayal	Director
Vikas Garg	Director
Monica Gupta	Company Secretary
Registered Office of the company	34/1, Vikas Apartments East Punjabi Bagh, New Delhi-110026
Auditors	M/s R. K. Batra & Company (Chartered Accountants) 906, Vikram Tower, Rajendra Place, New Delhi-110008
Internal Auditors	M/s Surinder Ranjan & Association (Chartered Accountants) G-5, Vikas Apartment 34/1, East Punjabi Bagh, New Delhi - 110 026
Share Transfer Agent	M/s Alankit Assignment Ltd., Alankit House, 2E/21, Jhandewalan Extension, New Delhi-110015
Stock Exchange Listing	The Delhi Stock Exchange Association Ltd. Bombay Stock Exchange Ltd.
Bankers	The Karnataka Bank Ltd., New Delhi Indian Overseas Bank, New Delhi
Email	vikasprofin@vikasgroupind.com

NOTICE is hereby given that the **TWENTY SECOND Annual General Meeting** of the Members of **VIKAS PROFIN LIMITED** will be held on **Saturday, 29 September 2007** at **10:30AM** at **KESHAV KUNJ, Village Ghevra New Delhi-110082** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2007 and the Profit & Loss Account of the Company for the year ended on that date together with reports of Directors and Auditors.
2. To appoint a Director in place of Shri. P.D. Bhoot who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri. Vikas Garg who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint the Auditors of the Company to hold office from the conclusion of this 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 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 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:

5. APPOINTMENT OF SHRI S.C. TAYAL AS DIRECTOR OF THE COMPANY

To consider and if thought fit to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION**

RESOLVED THAT Shri S.C. Tayal who was appointed by the Board of Directors as an Additional Director and who holds office upto the forthcoming Annual General Meeting of the Company pursuant to section 260 of the Companies Act and in respect of whom a notice has been received under section 257 of the Act proposing his candidature for the office of the Director of the Company, be and is hereby appointed as the Director of the Company liable to retire by rotation.

6. ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY

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 31 and other applicable provisions, if any, of the Companies Act, 1956 the Articles of Association of the company be and is hereby altered to the effect that after the existing clause 4 of the Articles of Association the following sub clause 4A be and is hereby inserted.

- 4A. To issue, allot warrants, debentures, partly, fully paid convertible debentures, bonds and /or any other financial instruments relating to capital market to public, shareholders and on preferential/private placement basis with a provision to convert/exchange at a future date into equity/preference shares and/or in any other instrument subject to Acts, Rules, Regulations, Guidelines issued by Government, Government/Statutory Authorities from time to time.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to take all necessary steps in this regard.

7 ALTERATION OF CAPITAL CLAUSE OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any of the Companies Act, 1956, Clause V of the Memorandum of Association of the company be hereafter replaced by the following Clause V:

- V. The authorised share capital of the company shall be Rs. 15,00,00,000 (Rupees Fifteen Crore) divided into 1,50,00,000 (One Crore Fifty Lakh) equity shares of Rs. 10/- each with power to the company to increase or reduce from time to time its capital and to issue any shares in the equity capital and to attach to any class of such shares any preferences, rights, privileges or priorities in payment of dividends or distribution of assets or other matters or to subject the same to any restrictions, limitations or conditions and to vary the regulations of the company as may be necessary to give effect to the same.”

8 ISSUE OF WARRANTS ON PREFERENTIAL BASIS

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

“RESOLVED THAT pursuant to Section 81, 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the provisions of the Memorandum and Articles of Association of the Company, SEBI Guidelines of Preferential Issue, Securities Contracts (Regulation) Act, 1956, Listing Agreement of the Stock Exchanges, SEBI (Substantial Acquisition and Takeover) Regulations, 1997 and with all other applicable provisions, if any, and subject to all necessary approvals, consents, permissions and or sanctions of the Government of India (GOI), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI) and any other appropriate authorities, institutions or bodies corporates and subject to such conditions as may be prescribed by them in granting such approval, consent, permission or sanctions, the Board of Directors of the Company (hereinafter referred to as “The Board”) be and is hereby authorised on behalf of the Company to issue and allot by way of private placement on preferential basis 20,00,000 (Twenty Lakh) convertible warrants of Rs. 10/- each fully

paid up at a premium of Rs. 10/- each aggregating to Rs. **4.00** Crores, each on cash to person comprising of Individuals belonging to Non Promoter Group and all such shares to rank pari passu on exercise of option of conversion into equity shares with the existing equity shares in all respects.

Category	Name	No. of Shares
Non promoter group	Alankit Assignments Ltd.	700,000
Non Promoter group	Super Plastic Coats Pvt. Ltd.	300,000
Non Promoter Group	Sh. Ashok Singla	175,000
	Sh. Manish Singla	175,000
	Smt. Khushboo Singla	175,000
	Smt. Gaitri Singla	175,000
Non Promoter Group	Smt. Leena Gupta	75,000
	Smt. Amita Gupta	75,000
	Smt. Rakhi Gupta	75,000
	Smt. Sonu Gupta	75,000
Total		2,000,000

RESOLVED FURTHER that the Board be and is hereby authorised to utilize and deal, in accordance with laws, regulations and guidelines, with the funds raised as a result of the securities apart from making all payments towards the fees, commissions and charges of the agencies empowered by the Company for the purpose of the issue and expenses incurred in respect of the issue.

RESOLVED FURTHER that the Relevant Date, for the purpose of calculation of issue price as per SEBI Guidelines is 29th August 2007.

RESOLVED FURTHER that the Board be and is hereby authorised to engage all services and to appoint solicitors, advocates, advisors and investment or merchant bankers, underwriters, guarantors, depositors, custodians and any other such agencies to act as Managers or Lead Managers or in any other capacity or to certify any matter relating to Company's Accounts or otherwise on such terms as to remunerate them by way of commission, brokerage, fees or otherwise as the Board may in its absolute discretion deem appropriate.

RESOLVED FURTHER that application for listing and trading of the equity shares of the company, be made to all the stock exchanges at which the shares of the company are listed or



to Central Listing Authority, and to take all other necessary actions in this regard.

RESOLVED FURTHER that for the purpose of giving effect to the above resolution, the Board be and is hereby authorised on behalf of the Company to do all acts, deeds, matters, and things as it may at its discretion deem necessary or desirable for such purpose and to settle any question, difficulties or doubts that may arise in regard to any such issue or allotment as it may in its absolute discretion deem fit.

By order of the Board

Dr. Nand Kishore Garg
Managing Director

Place New Delhi

Date 31.08.2007

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NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY NEED NOT TO BE MEMBER THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT LEAST 48 HOURS BEFORE THE MEETING.**
2. The register of Members and Share Transfer Books will remain closed from Monday, the 24th September to Saturday, the 29th September 2007 (both days inclusive) for the purpose of Annual General Meeting.
3. M/s Alankit Assignment Ltd., Corporate Office at 'Alankit House' 2E/21, Jhandewalan Extension, New Delhi-110015 is the Registrar and Share Transfer Agent of the Company for physical shares as well as depository interface with NSDL and CDSL.
4. Members are requested to intimate to the Company 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.
5. Members are requested to bring their copies of the Annual Report to the meeting and the Attendance Slip duly filled-in for attending the meeting.
6. In case you wish to avail the nomination facility in respect of shares held by you please write to the company for the nomination form.
7. 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.
8. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the registered office on all working days except Saturdays, Sundays and Holidays between 11:00AM and 1:00PM upto the date of Annual General meeting.
9. Members Companies / Organization are request to send a copy of the resolution authorizing their representation to attend and vote at the Annual General Meeting.
10. Members are requested to promptly notify to the Company any change in their addresses.
11. In terms of Section 109(A) of the Companies Act 1956, the shares holder of the Company may nominate a person to whom the shares held by him shall vest in the event of his death.



12. Explanatory statement pursuant to section 173(2) of the Companies Act 1956 is annexed with the notice.

By order of the Board

Dr. Nand Kishore Garg
Managing Director

Place New Delhi

Date 31.08.2007

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EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

As required under section 173 of the Companies Act, 1956, the following explanatory statement sets out the matter in relation to item no. 5, 6, 7 and 8 of the accompanying notice dated 31st August, 2007

ITEM NO. 5

Shri S.C. Tayal was appointed as the Additional Director of the Company. As per the provisions of section 260 of the Companies Act, 1956, the above Director holds office upto the date of ensuing Annual General Meeting of the Company, and is eligible for appointment. The Company has received notice under section 256 of the Companies Act, 1956, in respect of the candidate, proposing his appointment as Director of the Company. Details regarding the appointee and brief resume have been given to the Company. Keeping in view his experience and expertise, his appointment as Director of the Company is recommended.

Your Directors recommend Ordinary Resolution for the approval of the members.

Except Shri S.C. Tayal, none other Directors are interested in the resolution.

ITEM NO. 6

The existing Articles of Association of your Company does not contain any article for issue of warrants, debentures, convertible debentures, bonds or any other instrument relating to capital market. The board thought it fit to include an article in this regards in your Articles of Association. The amendment in Articles of Association can be made only with your permission through Special Resolution. The Board of Directors recommends the same for your approval.

None of the Directors of the Company are deemed to be concerned or interested in this resolution

ITEM NO. 7

The existing Authorised Share Capital of your Company is 5.50 Crores and keeping in view the Expansion proposals of your Company and the proposal of issuing Convertible Warrants on preferential basis to the tune of Rs.2.00 crores, it is proposed that the same shall be increased to 15.00 crores thereby making it to a reasonable level and not warranting any need to convene Shareholders meeting for purpose of increasing Authorised Share Capital, saving thereby time and cost of Company and its shareholders. The board thought it fit to increase the same to that level and had given its consent to raise it subject to necessary shareholders approval whereby an amendment to the Capital Clause of the Memorandum of Association of your Company needs to be made. The proposed amendment in Memorandum of Association can be made only with your permission through Ordinary Resolution in terms of requirements of Companies Act, 1956. The Board of Directors recommends the same for your approval.

None of the Directors of the Company are deemed to be concerned or interested in this resolution



ITEM NO. 8

Your Company is into the area of Property and Finance and your directors foresee a huge Potential of tremendous growth in the near future for Construction and Infrastructure sector and thus the Companies operating in allied segment would benefit the most.

Your Directors are further of the opinion that the demand though sluggish at this juncture would definitely receive a boost in near future since market survey carried out in this direction clearly reveals deficit of supply over demand. The existing player who had been able to create a niche for themselves in this area would be immensely benefitted in the long run because of their sustainability in the tough scenario. With all these favourable factors there seems to be ample opportunities and growth for Company's operations through every hook and corner of India.

As per the projected Master Plan 2021 of Delhi the Government had anticipated a sharp spurt in demand for space and there has a general feeling amongst the Infrastructure Companies that given a limited space the Authorities had to rely upon some partnership with private sector and that would further give a boost to the Construction and Infrastructure sector. The limited space would be increased by allowing the private sector to foray in Infrastructure field by expanding vertically.

Your Company is planning to expand its business horizon keeping in view all the favourable factors in its mind and had accordingly decided to infuse much required fund for its expansion and ambitious programmes. The availability of fund with a company is the key to its success since that is one of the most important ingredient to execute a project. Your Directors were keeping a track on various investors who had shown interest in subscribing to your Company's equity at a price where by your Company would be benefitted most. Accordingly the proposed resolution is being placed before the Shareholders for preferential Issue to Non Promoter Group who are ready to invest Rs. 4.00 Crores in shape of Warrants which would be convertible at a later date to be determined as per SEBI Guidelines to this effect at a price of Rs. 20/- per share to meet a part of the funds requirement for the capital expenditure projects of the Company. In order to meet their requirements and the Company's Expansion plans it plans to explore all opportunities for raising the funds and a part of which will be met through internal accruals.

The Board in its meeting held on 31st August 2007 in principally agreed to raise funds, inter-alia, from various sources on preferential basis, besides keeping the options of Rights/Public issue of securities. Your Board is further of the view that the current capital market scenario is favourable as the kind of resilience the Market is showing is a clear indicator of phenomenal growth for the Corporates and further the Company's shares are also attracting the interest of Investors and so on. Several rounds of Discussions were held with intermediaries, FIIs and other Investors who have shown remarkable interest for participation in the Company's preferential issue.

All the person had expressed their willingness, in the overall interest of the Company and its shareholders, to participate in the preferential issue of warrants to be convertible into equity share at a later date with a lock in period and pricing as per SEBI Guidelines.

None of the persons hold the shares of your Company.