

**VAPI ENTERPRISE LIMITED**

**( Formerly Known as Vapi Paper Mills Limited )**

**40 TH ANNUAL REPORT**

**F.Y. 2013-2014**

# VPM

## VAPI ENTERPRISE LTD.

(Formerly known as Vapi Paper Mills Limited)

213 UDYOG MANDIR, PITAMBER LANE, MAHIM (WEST), MUMBAI 400016

TEL: 98200 68363 / 022-24449753 E-MAIL : [vapipaper@gmail.com](mailto:vapipaper@gmail.com)

CIN : L21010MH1974PLC032457

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**DIRECTORS :**                      **Shri Manoj R. Patel - Managing Director**  
**DIN : 00485197**

**Shri Rajeev R. Patel - Wholetime Director**  
**DIN : 00510532**

**Smt. Laxmiben J. Patel - Director**  
**DIN : 00510582**

**COMPANY SECRETARY**                      **Shri Prakash V. Kotak**

**AUDITORS**                                      **Messrs, Chirag N. Shah & Associates**  
**Chartered Accountants**  
**Mumbai**

**REGISTERED OFFICE**                      **213, Udhyog Mandir No.1,2<sup>nd</sup> Floor**  
**7/C, Pitamber Lane, Mahim ( West ),**  
**Mumbai -400 016.**

**COMPANY E-MAIL**                                      **[vapipaper@gmail.com](mailto:vapipaper@gmail.com)**

**PLANT**    **298-299, GIDC Industrial Area**  
**Vapi 396 195**  
**Dist. Valsad ( Gujarat )**

**REGISTRARS AND**                                      **M/s BIGSHARE SERVICES PVT. LTD.**  
**TRANSFER AGENTS**                      **E-2/3, Ansa Industrial Estate,**  
**Saki Vihar Road, Andheri (E)**  
**Mumbai- 400 072**

## NOTICE

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NOTICE is hereby given that the 40<sup>th</sup> ANNUAL GENERAL MEETING of the Shareholders of **VAPI ENTERPRISE LIMITED** (formerly known as Vapi Paper Mills Ltd.) will be held at the Registered Office of the Company at 213, UdyogMandir No. 1, 2<sup>nd</sup> Floor, 7/C Pitamber Lane, Mahim (West), Mumbai – 400 016 on Tuesday, the 30<sup>th</sup> September, 2014 at 3:00 P. M. to transact the following business : -

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### AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report, Auditors' Report, Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2013.
2. To appoint a Director in place of Shri Laxmiben J. Patel who retire from office by rotation, and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

“RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, Chirag Shah and Associates, Chartered Accountants (ICAI Firm Registration No. 118215W), the retiring Auditors of the Company, be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the AGM of the Company to be held in the year 2017(subject to ratification of their appointment at every AGM), to examine and audit the accounts of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors plus reimbursement of service tax, travelling and out-of pocket expenses.”

**By order of the Board**

**Place: Mumbai**  
**Dated: 1st September, 2014**

**Sd/-**  
**Manoj R. Patel**  
**Managing Director**  
**DIN No. 00485197**

**NOTES :**

1. A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and on a Poll, vote instead of himself and a proxy need not be a Member of the Company, Proxies in order to be effective must be received by Company not less than 48 hours before the commencement of the Meeting.
2. The Register of Members & Share Transfer Books of the Company will remain closed from September 23rd, 2014 to September 30th, 2014 (both days inclusive) for the purpose of 40<sup>th</sup> Annual General Meeting (AGM) of the Company to be held on September 30, 2014.
3. Members are requested to notify immediately any change in their address to the Company or its Registrars and Transfer Agents of the Company M/s Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400 072.
4. Members desirous of seeking any information about the Accounts of the Company are requested to address their queries in writing, to the Company at least Seven days in advance of the meeting so that the requested information can be made readily available at the time of the meeting.
5. The Company has been allotted ISIN No. INE464D01014. Members are requested to approach their DPs for dematerialization of equity shares of the Company.

**ATTENDANCE SLIP**

DP ID.	
CLIENT ID	

FOLIO NO.	
NO. OF SHARES	

Name & Address of Shareholder / Proxy holder

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I certify that I am a registered Shareholder / Proxy for the registered Shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company held on Friday, the 30<sup>th</sup> September, 2014 at the Registered Office of the Company at 213 UdyogMandir No.1, 7/C Pitamber Lane, Mahim-West, Mumbai -400016.

**Member's / Proxy's Signature**

(Shareholder attending the meeting in person or by proxy is requested to complete the attendance slip and handover at the entrance of the Meeting Hall)

**PROXY FORM**

DP ID.	
CLIENT ID	

FOLIO NO.	
NO. OF SHARES	

I / We \_\_\_\_\_  
of \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Being a Member / Members of \_\_\_\_\_ Limited hereby appoint Mr. / Ms. \_\_\_\_\_  
\_\_\_\_\_

as my / our Proxy to attend and vote for me / us and on my / our behalf at the ANNUAL GENERAL MEETING of the Company to be held on \_\_\_\_\_, the \_\_\_\_\_ and at any adjournment(s) thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Affix  
Re.1/-  
Revenue  
Stamp

Signature(s)

Proxy form must reach company's registered office not later than 48  
hours before the commencement of the meeting

FOR OFFICE USE ONLY

DATE OF RECEIPT

**DIRECTORS' REPORT**

To,

**The Members of****VAPI ENTERPRISE LIMITED,**

(Formerly Known as Vapi Paper Mills Limited )

Your Directors have pleasure in presenting the 40<sup>th</sup> Annual Report of the Company together with Audited statement of Accounts for the year ended 31<sup>st</sup> March, 2014.

**1. FINANCIAL RESULTS :**

	<b>(Rupees in Lacs)</b>	
	<b>2013-14</b>	<b>2012-13</b>
	=====	=====
Net Sales and Other Income	<b>108.37</b>	95.51
Gross Profit / (Loss)	<b>52.43</b>	(132.59)
Less: Depreciation	<b>14.85</b>	14.89
Profit / (Loss) before Tax	<b>37.58</b>	(147.48)
Less : Provision for        Income Tax	-	-
Deferred Tax	-	-
Net Profit / (Loss) After Tax	<b>37.58</b>	(147.48)
Less: Extra Ordinary Items	<b>(7.18)</b>	(20.34)
Net Profit / (Loss) After Tax & Extra Ordinary Items	<b>30.40</b>	(167.82)
 Add : Balance of Profit/(Loss) brought forward	 <b>(1621.22)</b>	 (1453.40)
 Surplus available for Appropriations:	 <b>(1590.82)</b>	 (1621.22)
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Surplus / (Deficit) carried to Balance Sheet	<b>(1590.82)</b>	(1621.22)
	=====	=====

**2. DIVIDEND:**

The Directors do not recommend any Dividend on Equity Shares for the year ended 31<sup>st</sup> March, 2014

**3. OPERATIONS:**

The Company has earned Net Revenue of Rs. 108.37 lacs during the year. The company has earned Net Profit of Rs. 30.39 lacs during the year. The cash profit from operations pertaining to current year mentioned above is Rs. 52.43 lacs.

The company and the management continue to look for opportunities to enter new businesses at the opportune time of the business cycle. As per the conservative policy of the company, the management will take value enhancing decisions at the appropriate time.

As the company is not presently engaged in any manufacturing operations, disclosures pursuant to section 217(1) (e) of the Companies Act, 1956 related to Conservation of Energy, Power and Fuel Consumption, Particulars with respect to Absorption, Adaption and Innovation, Foreign exchange Earnings and Outgo is not applicable and does not require any additional disclosures except that included in the notes to accounts.

**4. FIXED DEPOSITS:**

At the end of the financial year, there was no overdue Deposits.

**5. DIRECTORS:**

In accordance with the provisions of the Companies Act, 1956, Smt. Laxmiben J. Patel retires by rotation at the ensuring Annual General Meeting and being eligible, offer himself for re-appointment.

**6. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Sub Section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- i. In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. The 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 the financial year and of the profit of the Company for that year;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts on a going concern basis.

**7. INSURANCE:**

The Insurable interest in all the properties of the company including buildings and other assets have been adequately insured considering the age, condition and useful life.

**8. DISCLOSURE OF PARTICULARS:**

Information required under the Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988, relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is not required to be attached as the company did not carry out any manufacturing activities during the year.

**9. PARTICULARS OF EMPLOYEES:**

Information pursuant to Section 217 (2A) of the Companies Act, 1956 read with Companies (particulars of Employees) Rules, 1975 as amended is not attached as the company did not have any such employee employed during the year under review.

**10. CORPORATE GOVERNANCE:**

The provisions of clause 49 of Listing Agreement with Mumbai Stock Exchange relating to Corporate Governance are not yet applicable to your company as paid-up capital of the company is below prescribed limit.

**11. AUDITORS:**

M/S Chirag N. Shah and Associates, Chartered Accountants retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. You are requested to appoint Auditors to hold office until the next Annual General Meeting and fix their remuneration.

**12. AUDITORS REPORT OBSERVATIONS:**

Your Directors refer to the observations made by the Auditors in their report and wish to inform as under:

1. The reference to the qualification with respect to the realisability of Long Term Deposits, Loans and Advances and Trade Payables, the Directors wish to state that these are accounted for with maximum prudence and conservative accounting approach and in the opinion of the Directors are fully realizable.

# VAPI ENTERPRISE LTD.

# Annual Report 2013-2014

( Formerly Known as VAPI PAPER MILLS LTD.)

CIN : L21010MH1974PLC032457

Maximum effort is being pursued to obtain confirmation certificates from such parties in order to satisfy Audit requirements.

2. A large majority of the fixed assets of the company consists of land, building, road works, general electrification, water works and general maintenance equipment. The fixed assets related to machinery and old stocks and stores and spares have largely been disposed of or written off. Hence the company is in the process of compiling the revised fixed assets register and which will be completed in due course to satisfy Audit requirements.
3. The company's accounts are being reported as a going concern inspite of negative networth of the company as the company is generation cash profits and in the opinion of the Directors, the company will eventually turn networth positive. The Directors will also explore mechanisms to infuse funds into the company in order to return to networth positive.
4. Unsecured Loans received by the company are primarily ICD from group companies and loans from Directors. These were taken to meet pressing and heavy financial needs of the company in the past. These loans are non-interest bearing and have been fully disclosed in the notes concerning related party transactions. Apart from these loans, the company has not accepted any unsecured loans from the public.

**For and on behalf of the Board**

**Sd/-**

**Manoj R. Patel**

**DIN No. 00485197**

**(Managing Director)**

**Sd/-**

**Rajeev R. Patel**

**DIN No.00510532**

**(Director)**

**Place : Mumbai**

**DATED : 31<sup>th</sup> May, 2014**



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CHIRAG N SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS

### **Independent Auditors' Report**

### **To The Members of Vapi Enterprise Limited ( Formerly known as Vapi Paper Mills Limited )**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Vapi Enterprise Limited ("the Company- Formerly Known as Vapi Paper Mills Limited"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year ended March 31, 2014, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the disclosures and amounts in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material