

VAPI ENTERPRISE LIMITED

(Formerly Known as Vapi Paper Mills Limited)

44 TH ANNUAL REPORT

F.Y. 2017-18



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

CIN : L21010MH1974PLC032457

| | | |
|---------------------------------------|---|--|
| DIRECTORS | : | Shri Manoj R. Patel - Managing Director DIN : 00485197 |
| | | Shri Rajeev R. Patel - Wholetime Director DIN : 00510532 |
| | | Smt. Laxmiben J Patel - Director DIN : 00510582 |
| | | Shri Himanshu H. Ruia - Director (Independent) DIN : 07572617 |
| AUDITORS | | Messrs, Chirag N. Shah & Associates Chartered Accountants, Mumbai |
| REGISTERED OFFICE | | 213, Udhog Mandir No.1,2nd Floor 7/C, Pitamber Lane, Mahim (West), Mumbai -400 016. |
| COMPANY E-MAIL | | vapipaper@gmail.com |
| PLANT | | 298-299, GIDC Industrial Area Vapi 396 195 Dist. Valsad (Gujarat) |
| REGISTRARS AND TRANSFER AGENTS | | M/s BIGSHARE SERVICES PVT. LTD. E-2/3, Ansa Industrial Estate, Saki Vihar Road, Andheri (E) Mumbai- 400 072 |

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 44th Annual General Meeting of the Members of VAPI ENTERPRISE LIMITED (Formerly known as Vapi Paper Mills Ltd.) will be held on Friday 28th September day of 2018, at **9.30 am** at 117 Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (West), MUMBAI 400053 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2018, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Laxmiben J. Patel (DIN No. 00510582), who retires by rotation, and being eligible offers herself for reappointment.
3. RATIFICATION OF STATUTORY AUDITORS : To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
“**RESOLVED THAT** pursuant to the provisions of Section 139,142 and other applicable provisions of the Companies Act, 2013 (the “Act”) read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. Chirag N. Shah and Associates, Chartered Accountants (Firm Registration No. 118215/W), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2018-2019 on such remuneration plus applicable tax and reimbursement of expenses as may be determined by the Board of Directors and the Statutory Auditors.”

Registered Office:

213 Udyog Mandir No. 1
7/C Pitamber Lane
Mahim (West), Mumbai 400054, INDIA

By Order of the Board

SD/-
Manoj R. Patel

(Managing Director)
Din No. 00485197
May 30th , 2018

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
2. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
4. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
5. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting. The members are requested to get their shares dematerialized. The company's ISIN Code **INE464D01014** pursuant to change in face value.

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

The Compliance Officer (Vapi Enterprise Ltd.), 213 Udyog Mandir, 7/C Pitamber Lane, Mahim (West), Mumbai 400016 Or on Email : vapipaper@gmail.com

The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
9. Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialized form are advised to make a nomination through their Depository Participants.
10. The Register of Members & Share Transfer Books of the Company will remain closed from September 21st, 2018 to September 28th, 2018 (both days inclusive) for the purpose of 44th Annual General Meeting (AGM) of the Company to be held on September 28th, 2018
11. 1. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 44th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL) :

The instructions for e-voting are as under :

A. In case of members receiving e-mail:

(i) Log on to the e-voting website www.evotingindia.com

(ii) Click on "Shareholders" tab.

(iii) Now, select "VAPI ENTERPRISE LIMITED" from the drop down menu and click on "SUBMIT"

(iv) Now Enter your User ID

(a) For CDSL: 16 digits beneficiary ID,

(b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

(c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used

(vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN* | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on your registered address sticker in the PAN field. |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio No. in the Dividend Bank details field as mentioned in instruction (iv). |

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for "VAPI ENTERPRISE LTD."

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non-individual Shareholders and Custodians :

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

B. In case of members receiving the physical copy:

(Formerly Known as Vapi Paper Mills Limited)

Regd. Address : 213 UDYOG MANDIR, PITAMBER LANE, MAHIM (WEST), MUMBAI 400016 **CIN :** L21010MH1974PLC032457

(i) Please follow all steps from sl. no. (i) to (xvii) above to cast vote.

(ii) The voting period begins on 25th September, 2018 (10:00 a.m.) and ends on 26th September, 2018 (6:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

2. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

3. CS Anjana Manseta, Practising Company Secretary (Membership No.29605) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

4. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

5. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.vapienterprise.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE and NSE.**Registered Office:**213 Udyog Mandir No. 1
7/C Pitamber Lane
Mahim (West), Mumbai 400054, INDIA

By Order of the Board

SD/-

Manoj R. Patel**(Managing Director)****Din No. 00485197****May 30th, 2018****EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 - N/A****ANNEXURE TO ITEMS 2 OF THE NOTICE**

Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting

| | |
|--|-------------------------------|
| Name of the Director | Mrs. Laxmiben J. Patel |
| Director Identification Number (DIN) | 00510582 |
| Date of Birth | 12/10/1938 |
| Nationality | Indian |
| Date of Appointment on Board | 25/05/2004 |
| Qualification | HIGH SCHOOL |
| Shareholding in Vapi Enterprise Limited | 94,700(4.15%) |
| List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies) | NONE |
| Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies | N/A |

(Formerly Known as Vapi Paper Mills Limited)

Regd. Address : 213 UDYOG MANDIR, PITAMBER LANE, MAHIM (WEST), MUMBAI 400016 **CIN : L21010MH1974PLC032457**

Form No. MGT-11

Proxy form

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

| | | |
|--|---------------------|------------|
| Name of the Member(s) | | |
| Registered Address | | |
| E-mail Id | Folio No /Client ID | DP ID |
| I/We, being the member(s) of _____ shares of the above named company. Hereby appoint | | |
| Name : | | E-mail Id: |
| Address: | | |
| Signature , or failing him | | |

| | | |
|----------------------------|--|------------|
| Name : | | E-mail Id: |
| Address: | | |
| Signature , or failing him | | |

| | | |
|----------------------------|--|------------|
| Name : | | E-mail Id: |
| Address: | | |
| Signature , or failing him | | |

As my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 44th Annual General Meeting of the company, to be held on the 28th day of September, 2018 at 9.30 a.m. at 117 Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai 400053 of the company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

| Sl. No. | Resolution(S) | Vote | |
|---------|---|------|---------|
| | | For | Against |
| 1. | Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2018 | | |
| 2. | Appointment of Mrs. Laxmiben J. Patel as Director | | |
| 3. | Ratification of M/S Chirag N. Shah and Associates, Chartered Accountants as Statutory Auditors & fixing their remuneration | | |

* Applicable for investors holding shares in Electronic form.

Signed this ____ day of ____ 20 ____

Signature of Shareholder

Signature of Proxy holder

Signature of the Shareholder
across Revenue StampAffix Revenue
Stamps

Note:

1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

2) The proxy need not be a member of the company

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

44th Annual General Meeting on **Vapi Enterprise Ltd.**

Full name of the members attending _____

(In block capitals)

Ledger Folio No./Client ID No. _____ No. of shares held: _____

Name of Proxy _____

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 44th Annual General Meeting of the Vapi Enterprise Ltd. at 117 Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai 400053 on Friday, the 28th September 2018

(Member's /Proxy's Signature)

Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

To,

The Members,

Your Directors have pleasure in presenting their 44th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31st, 2018.

1. Financial summary or highlights/Performance of the Company (Standalone)

The Board's Report shall be prepared based on the stand alone financial statements of the company.

(Rs. In Lacs)

| Particulars | 2017-2018 | 2016-2017 |
|---|------------------|------------------|
| Gross Income | 320.93 | 307.65 |
| Profit Before Interest and Depreciation | 49.36 | 45.88 |
| Finance Charges | 3.91 | 7.23 |
| Gross Profit | 45.45 | 38.65 |
| Provision for Depreciation | 23.25 | 25.32 |
| Net Profit Before Tax | 22.20 | 13.33 |
| Provision for Tax | - | - |
| Net Profit After Tax | 22.20 | 13.33 |
| Balance of Profit brought forward | (1532.64) | (1545.97) |
| Balance available for appropriation | (1510.45) | (1532.64) |
| Proposed Dividend on Equity Shares | - | - |
| Tax on proposed Dividend | - | - |
| Transfer to General Reserve | - | - |
| Surplus carried to Balance Sheet | (1510.45) | (1532.64) |

2. Brief description of the Company's working during the year/State of Company's affair

The company has continued to rationalize the business mix to improve on its financial condition. Gross profit increased to 45.45 lacs from 38.65 lacs in the previous year. Net Profit increased to 22.20 lacs from 13.33 lacs in the previous year. The company continues to safeguard company assets in a conservative manner and continue to constantly evaluate value enhancing opportunities for the company.

3. Dividend

Considering the financial position of the company and to conserve valuable resources, the Directors do not recommend a dividend for the period under consideration.

4. Directors and Key Managerial Personnel

Mrs. Laxmiben J. Patel , Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for her reappointment. The Board recommends to the members to confirm her reappointments at the forthcoming Annual General Meeting.

5. Particulars of Employees

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

6. Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year four (4) Board Meetings were held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013

7. Auditors:

Members of the Company at the Annual General Meeting that was held on 30th September, 2014 have appointed M/s Chirag N. Shah & Associates, Chartered Accountants, as a Statutory Auditor of the Company for a period of 5 years. In terms of Section 139 of the Companies Act, 2013, such continuing appointment is subject to the yearly ratification by the Members at an Annual General Meeting.

M/s Chirag N. Shah & Associates, Chartered Accountants, have confirmed their eligibility to act as the Auditors of the Company in accordance with Section 141 of the Companies Act, 2013. Accordingly, Directors seek your ratification for the appointment of M/s Chirag N. Shah & Associates as the Statutory Auditors for the financial year 2018-19.

8. Auditors' Report

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

9. Cost Auditors

The Company is not required to maintain cost records as per The Companies (Cost Records and Audit) Amendments Rules, 2014.

10. Nomination And Remuneration Committee

The Company is not required to constitute a Nomination and Remuneration Committee since it does not fall within the class of companies prescribed under The Companies (Meetings of the Board and its Powers) Rules, 2014

11. Secretarial Audit Report

In terms of Section 204 of the Act and Rules made there under, M/s. Anjana Manseta & Co., Practicing Company Secretary have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Annexure II** to this report. The report is self-explanatory and do not call for any further comments.

12. Audit Committee

The Company is not required to constitute an Audit Committee since it does not fall within the class of companies prescribed under The Companies (Meetings of the Board and its Powers) Rules, 2014.

13. Risk management policy

A statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, this in the opinion of the Board may threaten the existence of the company.

14. Significant & Material Orders Passed By The Regulators Or Courts Or Tribunals Impacting The Going Concern Status Of The Company

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations

15. Extract Of Annual Return:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report as **ANNEXURE I**.

16. Particulars Of Conservation Of Energy, Technology Absorption And Foreign Exchange Earnings And Outgo

There was no technology absorption and no foreign exchange earnings or outgo, during the year under review. Hence, the information as required under Section 134(3)(m) of the Companies Act, 2013, read with The Companies (Accounts) Rules, 2014, is to be regarded as Nil. The Company has not entered into any technology transfer agreement.

17. Human Resources

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invest in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

18. Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—