

VAPI ENTERPRISE LIMITED

(Formerly Known as Vapi Paper Mills Limited)

46 TH ANNUAL REPORT

F.Y. 2019-20



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, vapienterpriseld@gmail.com

CIN : L21010MH1974PLC032457

DIRECTORS	:	Shri Manoj R. Patel - Managing Director DIN : 00485197
		Shri Rajeev R. Patel - Whole time Director (Chief Financial Officer) DIN : 00510532
		Smt. Laxmiben J Patel - Director (Women) DIN : 00510582
		Shri Himanshu H. Ruia - Independent Director DIN : 07572617
COMPANY SECRETARY:		Ms Priyanka Kunwar (w.e.f. 01.07.2019) MembershipNumber : A59197
AUDITORS		Messrs, Chirag N. Shah & Associates Chartered Accountants, Mumbai
REGISTERED OFFICE		213, Udhyog Mandir No.1,2nd Floor 7/C, Pitamber Lane, Mahim (West), Mumbai -400 016.
COMPANY E-MAIL		vapipaper@gmail.com vapienterpriseld@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



VAPI ENTERPRISE LTD.

(Formerly known as VAPI PAPER MILLS LTD.)

Regd. Off.213 UDYOG MANDIR, PITAMBER LANE, MAHIM (WEST), MUMBAI 400016
Works : Plot No. 298/299, GIDC 2nd Phase, Industrial Area, VAPI, GUJARAT 396 195
TEL: 98200 68363 / 022-24449753/ 093768 15945 (Works) E-MAIL : vapipaper@gmail.com
Website : www.vapienterprise.com CIN No. L21010MH1974PLC032457

To,

The Members,

Your Directors have pleasure in presenting their 46th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31st, 2020.

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.

Particulars	2019-2020(Amt in Rs.)	2018-2019(Amt in Rs.)
Revenue	2,50,17,055	2,10,81,921
Other Income	75,44,604	78,27,848
Total Income	3,25,61,659	2,89,09,769
Expenses		
Operating expenditure	2,48,28,782	2,60,38,230
Depreciation and amortization expense	13,37,299	20,95,303
Total expenses	2,61,66,081	2,81,33,533
Profit before finance costs and tax	52,62,277	1,25,907
Finance costs	1,23,779	3,92,271
Profit before tax (PBT)	51,38,498	(2,66,364)
Tax expense	0	0
Profit for the year	51,38,498	(2,66,364)
Attributable to:	(7,87,78,892)	(8,39,17,389)
Shareholders of the Company		
Non-controlling interests	NA	NA
Opening balance of retained earnings	(15,13,11,437)	(15,10,45,073)
Closing balance of retained earnings	(14,61,72,939)	(15,13,11,437)

2. COVID-19

In the March month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees and labours. As of March 31, 2020, work from home was enabled for employee and Vapi plant has started the manufacturing operations subject to compliance with the conditions and directions as mentioned in guidelines or order of respective state government and Ministry of Home Affairs, Government of India.

3. Company's performance

The company has continued to rationalize the business mix to improve on its financial condition. Profit for the year has increased to 51.38 lacs from loss of Rs.2.66 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. It is the stated long term goal of the company in case of any such transaction to be net worth positive and to improve financial position of the company to enable long term value creation for shareholders by increase in share value, dividends and/or buybacks.

4. 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.

5. **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.

6. **Subsidiary companies**

The Company does not have any subsidiary, associate companies & joint ventures. There has been no material change in the nature of the business of the subsidiaries.

7. **Particulars of loans, guarantees and investments**

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

8. **Related Party Transactions**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

9. **Significant Orders Passed By The Regulators, Courts Or Tribunal Impacting Going Concern And Company's Operations**

To the best of our knowledge, the company has not received any such orders passed by the regulators, courts or tribunals during the year, which may impact the going concern status or company's operations in future.

10. **Material Changes And Commitments If Any Affecting The Financial Position Of The Company**

No material changes and commitments affecting the financial position of the company have occurred between the end of financial year to which the financial statements relate and the date of the Directors' Report.

11. **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—

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The directors had 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 and loss of the company for that period;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The directors had prepared the annual accounts on a going concern basis; and

(e) The directors, in the case of a **listed company**, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. **Declaration By Independent Directors**

The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

13. Directors and Key Managerial Personnel

In accordance with the Companies Act, 2013, Mrs. Laxmiben Jayantibhai Patel (DIN 00510582), Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for reappointment

The Board of Directors had appointed Ms. Priyanka Mohan Kunwar as a Company Secretary of the Company w.e.f 01st July, 2019.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2020 are:

- 1) Manoj Ramanbhai Patel- Chairman and Managing Director
- 2) Rajeev Ramanbhai Patel- Whole Time Director (Chief Financial Officer)
- 3) Priyanka Mohan Kunwar- Company Secretary

14. 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.

15. Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year 7 (Seven) Board Meetings were held.

Sr.No.	Date of Meeting
1	30/05/2019
2	01/07/2019
3	13/07/2019
4	12/08/2019
5	03/09/2019
6	13/11/2019
7	13/02/2020

16. Auditors

Members of the Company at the Annual General Meeting that was held on 30th September, 2019 have reappointed M/s Chirag N. Shah & Associates, Chartered Accountants, as a Statutory Auditor of the Company for a period of 5 years which term expires on 30th September 2024.

As required under the provisions of section 139(1) of the Companies Act, 2013, the Company has received a written consent from M/s Chirag N. Shah & Associates, Chartered Accountants, to their appointment and a Certificate, to the effect that their appointment, if made, would be in accordance with the Companies Act, 2013 and the Rules framed there under and that they satisfy the criteria provided in section 141 of the Companies Act, 2013.

17. 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.

18. Cost Auditors

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

19. 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.

20. 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.

21. Nomination and Remuneration Committee and Stakeholders Relationship 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.

As per Section 178(5) of Companies Act, the Board of Directors of a company has constituted a Stakeholder Relationship Committee consisting of a Chairperson and such other members as may be decided by the Board. The Committee has been constituted to strengthen the investor relations and to inter-alia, look into issues relating to shareholders grievances pertaining to transfer of shares, non- receipt of declared dividends, non-receipt of Annual Report, issues concerning de-materialization etc.

22. 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.

23. Internal financial control systems and their adequacy

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

24. 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

25. 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.

26. 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.

27. Disclosure Under The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

The Company has in place a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

28. **Acknowledgements**

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 30-06-2020

SD/-
Manoj R. Patel
Managing Director
(Din No. 00485197)

ANNEXURE INDEX

<u>Annexure</u>	<u>Content</u>
<u>I</u>	Annual Return Extracts in MGT 9
<u>II</u>	MR-3 Secretarial Audit Report

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31-03-2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

i.	CIN	L21010MH1974PLC032457
ii.	Registration Date	23-07-1974
iii.	Name of the Company	VAPI ENTERPRISE LIMITED
iv.	Category/Sub-Category of the Company	Public Limited Company
v.	Address of the Registered office and contact details	213, UDYOG MANDIR 2 ND FLOOR 87-C PITAMBER, MAHIM(WEST), MUMBAI 400016
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Bigshare Services Pvt. Ltd., E-2/3,Ansa Industrial Estate, Sakivihar Road, Saki Naka ,Andheri (E). Mumbai – 400 072

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Paper and Paper Products	21091	77%
2	Renting/Warehousing	99721121	23%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	NameAnd AddressOf The Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
1.	NIL	NIL	NIL	NIL	NIL

SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wiseShareHolding

[illegible]

a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIs	NIL	200	200	0.01%	NIL	200	200	0.01%	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total(B)(1)	NIL	200	200	0.01%	NIL	200	200	0.01%	NIL
2. Non Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals									
(i) Individual shareholders holding nominal share capital up to Rs. 1 Lakh	334622	698355	1032977	45.27%	290395	697255	987650	43.29%	-1.98%
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	243855	0	243855	10.68%	286774	NIL	286774	12.57%	1.89%
c) Others(NRI)	91761	12000	103761	4.54%	91761	12000	103761	4.54%	NIL
d) Clearing Members	2350	0	2350	0.10%	17518	500	18018	0.79%	0.69%
Sub-total(B)(2)	685348	710855	1396203	61.20%	686448	709755	1396203	61.20%	NIL
Total Public Shareholding (B)=(B)(1)+ (B)(2)	684798	711405	1396403	61.21%	685348	711055	1396403	61.21%	NIL
C Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	1076995	1204455	2281450	100%	1077545	1203905	2281450	100%	NIL

- ii.
iii.Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	MANOJ RAMANBHAI PATEL	112055	4.91	0	112055	4.91	0	NIL
2.	LAXMIBEN J PATEL	94700	4.15	0	94700	4.15	0	NIL
3.	RAJEEV R PATEL	78687	3.45	0	78687	3.45	0	NIL
4.	DEVIBEN R PATEL	68952	3.02	0	68952	3.02	0	NIL
5.	LAJ INVESTMENTS PRIVATE LTD	37803	1.66	0	37803	1.66	0	NIL
6.	BHULA RAMJI PATEL	29000	1.27	0	29000	1.27	0	NIL
7.	NEETA PATEL	29000	1.27	0	29000	1.27	0	NIL
8.	INDUBEN RAMESHBHAI PATEL	22500	0.99	0	22500	0.99	0	NIL
9.	PATEL RANCHHODHBHAI KALYANBHAI	18300	0.80	0	18300	0.80	0	NIL

10.	PATEL KANTILAL R	14500	0.64	0	14500	0.64	0	NIL
11.	RAMESHCHANDRA JIVANJEE PATEL	14500	0.64	0	14500	0.64	0	NIL
12.	MITESH MANOO PATEL	14500	0.64	0	14500	0.64	0	NIL
13.	HEMANT KUMAR PATEL	14500	0.64	0	14500	0.64	0	NIL
14.	RUPAL A PATEL	14000	0.61	0	14000	0.61	0	NIL
15.	SANJAY A PATEL	14000	0.61	0	14000	0.61	0	NIL
16.	NAGINBHAI LALLUBHAI PATEL	12900	0.57	0	12900	0.57	0	NIL
17.	ATUL BHULABHAI PATEL	12600	0.55	0	12600	0.55	0	NIL
18.	HARISH BHULABHAI PATEL	12200	0.53	0	12200	0.53	0	NIL
19.	PADMESH PATEL	12000	0.53	0	12000	0.53	0	NIL
20.	NALINIBEN KANTUBHAI PATEL	11800	0.52	0	11800	0.52	0	NIL
21.	KANTUBHAI RANCHODBHAI PATEL	11800	0.52	0	11800	0.52	0	NIL
22.	PREETY NAGINBHAI PATEL	10200	0.45	0	10200	0.45	0	NIL
23.	JASODABEN BHULABHAI PATEL	10050	0.44	0	10050	0.44	0	NIL
24.	HEMANT RANCHHODBHAI PATEL	10000	0.44	0	10000	0.44	0	NIL
25.	HEMU HEMANTBHAI PATEL	10000	0.44	0	10000	0.44	0	NIL
26.	GUNWANTBHAI G PATEL	10000	0.44	0	10000	0.44	0	NIL
27.	NARESHBHAI GOVINDBHAI PATEL	10000	0.44	0	10000	0.44	0	NIL
28.	MOHANLAL LALLUBHAI PATEL	10000	0.44	0	10000	0.44	0	NIL
29.	NAGINBHAI GOVINBHAI PATEL	10000	0.44	0	10000	0.44	0	NIL
30.	NANUBHAI S PATEL	10000	0.44	0	10000	0.44	0	NIL
31.	PAEL LALLUBHAI BHANABHAI	9900	0.43	0	9900	0.43	0	NIL
32.	JASODABEN B PATEL	9350	0.41	0	9350	0.41	0	NIL
33.	SUKHADA ARUN PATEL	7900	0.35	0	7900	0.35	0	NIL
34.	NALINIBEN MANUBHAI PATEL	7800	0.34	0	7800	0.34	0	NIL
35.	MITESH MANOOBHAI PATEL	6000	0.26	0	6000	0.26	0	NIL
36.	JAYSHREE MANOOBHAI PATEL	6000	0.26	0	6000	0.26	0	NIL
37.	DARSHNA MANOOBHAI PATEL	5800	0.25	0	5800	0.25	0	NIL
38.	PUSHPABEN N PATEL	5300	0.23	0	5300	0.23	0	NIL
39.	PARESH RAMUBHAI PATEL	5000	0.22	0	5000	0.22	0	NIL
40.	NATVERBHAI LALLUBHAI PATEL	5000	0.22	0	5000	0.22	0	NIL
41.	NEELABEN NATVARBHAI PATEL	5000	0.22	0	5000	0.22	0	NIL
42.	NARESH RAMUBHAI PATEL	5000	0.22	0	5000	0.22	0	NIL
43.	PATEL SANJAY ARUNBHAI	5000	0.22	0	5000	0.22	0	NIL
44.	BIPIN C PATEL	5000	0.22	0	5000	0.22	0	NIL
45.	JAGDISHBHAI LALLUBHAI PATEL	5000	0.22	0	5000	0.22	0	NIL
46.	BHANUBEN S PATEL	4800	0.21	0	4800	0.21	0	NIL
47.	PUSPABEN NAGINBHAI PATEL	4000	0.18	0	4000	0.18	0	NIL
48.	ARUN RAMBHAI PATEL	3950	0.17	0	3950	0.17	0	NIL
49.	ANIL RAMBHAI PATEL	3600	0.16	0	3600	0.16	0	NIL
50.	CHUNILAL M PATEL	3000	0.13	0	3000	0.13	0	NIL
51.	PATEL GANGABEN LALLUBHAI	3000	0.13	0	3000	0.13	0	NIL
52.	ARUNBHAI RAMBHAI PATEL	3000	0.13	0	3000	0.13	0	NIL
53.	PATEL BHANUBEN SHANTILAL	3000	0.13	0	3000	0.13	0	NIL
54.	JAYESHKUMAR I PATEL	3000	0.13	0	3000	0.13	0	NIL
55.	MAHESH MANUBHAI PATEL	3000	0.13	0	3000	0.13	0	NIL
56.	PATEL SHANTILAL LALLUBHAI	3000	0.13	0	3000	0.13	0	NIL
57.	RAJENDRA MANUBHAI PATEL	3000	0.13	0	3000	0.13	0	NIL
58.	MANOOBHAI JIVANBHAI PATEL	2800	0.12	0	2800	0.12	0	NIL
59.	BHULABHAI RAMABHAI PATEL	2600	0.11	0	2600	0.11	0	NIL