

VALLABH POLY PLAST INTERNATIONAL LIMITED

☆ Regd. Office ☆

194, Jawahar Nagar, Road No. 3, Goregaon (W), Mumbai - 400 062.

**SIXTEENTH ANNUAL REPORT
2009 - 2010**

VALLABH POLY PLAST INTERNATIONAL LIMITED

SIXTEENTH ANNUAL REPORT

BOARD OF DIRECTORS

Mr. Satish D. Jain

Mr. Kiran U. Rathod

Mr. Vinod U. Rathod

Mr. Alcide Neil Dsouza

Mr. Ilidio Manuel Pereira

Mr. Tulsiram P. Dangi

Auditors

M/s. Ramesh Chaturvedi & Co, Mumbai

Registrar and Share Transfer Agents

Karvy Computershare Pvt. Ltd.
Unit : Vallabh Poly Plast International Ltd.
17 to 24, Vithalrao Nagar,
Madhapur, Hyderabad 500081

Registered Office

194, Jawahar Nagar, Road No. 3,
Goregaon (W), Mumbai - 400 062.

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NOTICE

Notice is hereby given that the 16th Annual General Meeting of the Members of **VALLABH POLY PLAST INTERNATIONAL LIMITED** will be held at AIPMA House, Street No.1, MIDC, Marol, Andheri (East), Mumbai-400093, on Thursday 29th July 2010 at **9.30 A.M.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Balance Sheet as at 31st March 2010 and the Profit and Loss Account for the year ended as on that date and the Reports of the Directors' and Auditor's thereon.
2. To appoint a Director in place of Mr. Vinod Rathod, who retire by rotation, and being eligible, offers him self for re-appointment.
3. 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 Sections 224 and other applicable provisions, if any of the Companies Act, 1956 M/s. Ramesh Chaturvedi & Co., Chartered Accountants, Mumbai, bearing the Registration Number 113621W with the Institute of the Chartered Account of India (ICAI), be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration as may be mutually agreed to between the Board of Directors and the said Auditors in connection with the work of audit to be carried out by them."

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass with or without modification/s, if any, the following business as an Ordinary Resolution:-

"RESOLVED THAT Mr. Alcide Neil D'souza who was appointed as an Additional Director of the Company by the Board of Directors and holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 (the Act) read with Article 126 of the Articles of Association of the Company, being eligible, offers himself for re-appointment and in respect of whom the Company has received a notice in writing under Section 257 of the Act from a shareholder signifying his intention to propose Mr. Alcide Neil D'souza as a candidate for the office of Director, be and is hereby appointed as a Director of the Company and whose term of office shall be liable to determination by retirement of the Directors by rotation."

5. To consider and, if thought fit, to pass with or without modification/s, if any, the following business as an Ordinary Resolution:-

"RESOLVED THAT Mr. Ilidio Manuel Pereira who was appointed as an Additional Director of the Company by the Board of Directors and holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 (the Act) read with Article 126 of the Articles of Association of the Company, being eligible, offers himself for re-appointment and in respect of whom the Company has received a notice in writing under Section 257 of the Act from a shareholder signifying his intention to propose Mr. Ilidio Manuel Pereira as a candidate for the office of Director, be and is hereby appointed as a Director of the Company and whose term of office shall be liable to determination by retirement of the Directors by rotation."

6. To consider and, if thought fit, to pass with or without modification/s, if any, the following business as an Ordinary Resolution:-

"RESOLVED THAT Mr. Tulsiram Padmaji Dangi who was appointed as an Additional Director of the Company by the Board of Directors and holds office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 (the Act) read with Article 126 of the Articles of Association of the Company, being eligible, offers himself for re-appointment and in respect of whom the Company has received a notice in writing under Section 257 of the Act from a shareholder signifying his intention to propose Mr. Tulsiram Padmaji Dangi as a candidate for the office of Director, be and is hereby appointed as a Director of the Company and whose term of office shall be liable to determination by retirement of the Directors by rotation."

**For and on behalf of the
Board of Directors**

**Place : Mumbai
Date : 27th May, 2010**

**SATISH D. JAIN
DIRECTOR**

REGISTERED OFFICE:

194, Jawahar Nagar, Road No. 3,
Goregaon (W),
Mumbai - 400 062.

VALLABH POLY PLAST INTERNATIONAL LIMITED

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 OF THE COMPANY.

The proxy form should be lodged with the Company at its Registered Office at least 48 hours before the commencement of the Meeting.

2. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 27th July 2010 to Thursday, 29th July, 2010 (both days inclusive.)
3. Members are requested to promptly notify any changes in their addresses to the Company at its Registered Office.
4. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all days except Sunday & public holidays between 11.00 a.m. and 1.00 p.m. up to the date of Annual General Meeting.
5. For convenience of members, an attendance slip is annexed to the proxy form. Members are requested to affix their signature at the space provided and hand over the attendance slips at the place of meeting. The proxy of a member should mark on the attendance slip as 'proxy'.
6. Members are requested to bring their copies of the reports to Annual General Meeting.
7. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such holdings along with share certificates to the Company or Registrar and Share Transfer Agent.
8. In order to exercise strict control over the transfer documents, members are requested to send the transfer documents/ correspondence, if any, directly to the Registered office of the Company or Registrar and Share Transfer Agent.
9. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item no. 4, 5 and 6 of the Notice is annexed herewith.

Annexure to the Notice

Explanatory Statement (pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 4

Mr. Alcide Neil D'souza was appointed as additional director at the Board of Directors Meeting held on 30th March, 2010, in his capacity as an Independent Director, in terms of Section 260 of the Companies Act, 1956 and holds the office upto the date of this Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956, has been received from a shareholder of the Company signifying his intention to propose Mr. Alcide Neil D'souza as candidate for the office of Director.

Mr. Alcide Neil D'souza is B.Com from the University of Mumbai and having vast experience in the field of Human Resources, finance and accounts.

The Board recommends his appointment. None of the Director except Mr. Alcide Neil D'souza, is concerned or interested in this resolution.

Item No. 5

Mr. Ilidio Manuel Pereira was appointed as Additional Director at the Board of Directors Meeting held on 30th March, 2010, in his capacity as an Independent Director, in terms of Section 260 of the Companies Act, 1956 and holds the office upto the date of this Annual general Meeting. Notice in writing under Section 257 of the Companies Act, 1956, has been received from a shareholder of the Company signifying his intention to propose Mr. Ilidio Manuel Pereira as candidate for the office of Director.

Mr. Ilidio Manuel Pereira is B.A, L.L.B from the University of Mumbai and is having over 35 years of in finalization of Accounts and Taxation matters including Central excise and Sales tax.

The Board recommends his appointment. None of the Director except, Mr. Ilidio Manuel Pereira is concerned or interested in this resolution.

Item No. 6

Mr. Tulsiram P. Dangi was appointed as Additional Director at the Board of Directors Meeting held on 30th March, 2010, in his capacity as an Independent Director, in terms of Section 260 of the Companies Act, 1956 and holds the office upto the date of this Annual general Meeting. Notice in writing under Section 257 of the Companies Act, 1956, has been received from a shareholder of the Company signifying his intention to propose Mr. Tulsiram P. Dangi as candidate for the office of Director.

Mr. Tulsiram P. Dangi is B.Com and having vast experience in the field of finance and accounts and can handle the work related to this field very confidently.

The Board recommends her appointment. None of the Director except, Mr. Tulsiram P. Dangi is concerned or interested in this resolution.

By Order of the Board of Directors

Place : Mumbai
Date : 27th May, 2010

SATISH D. JAIN
DIRECTOR

DIRECTORS' REPORT

Dear Shareholders,

Your Directors hereby present the Sixteenth Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2010.

FINANCIAL HIGHLIGHTS:

		(Rs.inLakhs)
	31/03/2010	31/03/2009
Profit/Loss before interest & depreciation & before extra ordinary items	(0.70)	0.96
Less: Depreciation	-	-
Net Profit before Tax	(0.70)	0.96
Less: Provision for Tax	-	0.10
Less: Provision for FBT	-	-
Less: Minimum Alternative Tax Credit Entitlement .	-	(0.10)
Extra ordinary item	-	11.15
Profit/(Loss) Available for Appropriation	(0.70)	11.15
Balance carried to Balance Sheet	(0.70)	12.11

DIVIDENDS:

The Company has not earned any divisible profits for the year under review. Hence, the Board does not recommend any dividend for the year ended 31st March 2010.

OPERATIONS:

During the financial year ended 2009-2010 no commercial or Manufacturing activity were carried out by the Company. Presently your Company is a debt - free Company.

Your Company has at present exploring the possibilities of take over offer by Mr.Dheeraj Wadhwan, the Acquirer and the Person Acting in Concerns (PACs') in order to acquire majority of the post- issue Voting Capital of the Company subject to receipt of requisite approvals, consents and permissions, as may be required by the SEBI & Stock Exchange.

Your Directors are happy to inform you that all the pending compliances under various clauses of the Standard Listing Requirements of the Bombay Stock Exchange Limited have been complied with & there are no pending compliances from the company's side at present. Your Directors have also made efforts to get the revocation in trading of the Company's scrip from the Bombay Stock Exchange Limited & are happy to inform you that your company has got confirmation from the Bombay Stock Exchange Limited that your company's proposal for revocation of trading in the Company's Scrip will be considered in the next Committee Meeting & as a consequence to which large number of shareholders of the Company will be benefited & once again your Company's Scrip will be traded on the Bombay Stock Exchange Limited.. Your Directors are also happy to inform you that Company has got the Demat connectivity with NSDL for dematerialization of the Company's Shares.

Simultaneously all round efforts are being made to revive your Company and the Board is hopeful to see a break through in this regard in the near future.

AUDITOR'S REMARKS UNDER SECTION 217(3):

The comments and remarks from the Auditors are self – explanatory and do not call for any further explanation.

DIRECTORS:

Mr. Vinod U. Rathod, retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

During the year under review Mr. Alcide Neil Dsouza, Mr. Ilidio Manuel Pereria and Mr. Tulsiram Padmaji Dangi were inducted as Additional Directors of the Company whose tenure shall come to an end at the ensuring Annual General Meeting and they have offered their candidature for the post of Directorship of the Company.

PREFERENTIAL ALLOTMENT :

Your Company at the Extra – Ordinary General Meeting held on 23rd February, 2010 have approved for issue of 78,04,100 Equity Shares of Rs. 10/- for cash at par to the persons other than the existing shareholders of the Company on a Preferential basis. However, the allotment is yet to be done since the Company is waiting for requisite approvals, consents and permissions, from the Bombay Stock Exchange Ltd.

VALLABH POLY PLAST INTERNATIONAL LIMITED

FIXED DEPOSITS:

The Company has not accepted deposits from public within the meaning of Section 58A of the Companies Act, 1956, read with the Companies (Acceptance of Deposits) Rules, 1975.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information required under Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo forms part of this report and is given by way of Annexure.

AUDITORS:

M/s Ramesh Chaturvedi & Co, Chartered Accountants, Mumbai, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

CORPORATE GOVERNANCE:

Pursuant to clause 49 of the listing agreement with the Bombay Stock Exchange Limited the following have been made a part of the Annual Report:

- Management discussion and Analysis
- Report on Corporate Governance
- CEO Certification
- Declaration on compliance with code of Conduct.
- Auditors Certificate regarding compliance of conditions of the Corporate Governance

PARTICULARS OF EMPLOYEES:

The Company has no employees of the specified categories under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended up to date.

SECRETARIAL COMPLIANCE REPORT:

Secretarial Compliance Report pursuant to Section 383A of the Companies Act, 1956 as issued by Company Secretary in Whole time in Practice is enclosed herewith.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Sec. 217(2AA) of the Companies Act, 1956:

- (i) that in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimated 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 or loss of the company for that period.
- (iii) that 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;
- (iv) that the directors had prepared the annual accounts on a going concern basis.

APPRECIATION:

Your Directors express their warm appreciation to the Company's Bankers, Bombay Stock Exchange Limited & Others for their continued support and co-operation.

**For and on behalf of the
Board of Directors**

**Place : Mumbai
Date : 27th May, 2010**

**SATISH D. JAIN
DIRECTOR**

**KIRAN U.RATHOD
DIRECTOR**

ANNEXURE TO DIRECTORS' REPORT

Information in terms of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

i) CONSERVATION OF ENERGY:

Company uses electricity as major source of energy. Adequate steps for power factor improvement have been taken wherever feasible.

FORM A

Form for disclosure of particulars with respect to conservation of energy:

Particulars	Current Year (31/03/2010)	Previous Year (31/03/2009)
Power & Fuel Consumption:		
1. Electricity Unit Purchased (KWH)	Nil	Nil
Total Amount (Rs.)		
Rate/Unit (Rs.)		
Others		
2. Consumption Per Unit of Production: Plastic, Layflat Tubings (Rolls)/Bags/Kg.	Nil	Nil

ii) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Earnings : NIL Outgo : NIL

For and on behalf of the
Board of Directors

Place : Mumbai
Date : 27th May, 2010

SATISH D. JAIN
DIRECTOR

KIRAN U.RATHOD
DIRECTOR

VALLABH POLY PLAST INTERNATIONAL LIMITED

MANAGEMENT DISCUSSION ANALYSIS REPORT:

Industrial Structure and Development:

The Indian economy is competitively under the strong position as compared to Globally world economy. The post recession in USA and the global economic meltdown though had its repercussions in India, but there would not be a significant impact on the growth prospects in Indian industrial sector due to liberal government's policies & support and pent up demand.

Opportunity and Threats:

Vallabh Poly-plast International Limited (VPIL) is basically a manufacturing Company and now at present circumstances it is not carrying out any commercial or Manufacturing Activities. The company does not own any inventory for the year under review. Currently the company is debt free company. Company has only commission income. The Company has explored a strategic option to overcome the present situation.

Segment- wise or product – wise performance:

The company currently not engaged in any commercial or manufacturing activity. Hence there are no reportable geographical/ different segment wise report.

Outlook :

With political stability, economic indices are encouraging in general is showing good recovery in India as compared to rest of the world as help Indian industry to perform better.

Due to tremendous growth of the malls and hyper market culture, the demand of packaging products both for industrial and domestic use as also for packaging purpose is ever increasing. More over due to great potential line the growth of the consumer industries the demand of quality packaging industry is increasing at geometric rate.

Risk & Concern:

The promoter of the company had entered into share purchase and share subscription Agreement (SP & SSA) with an acquirer Mr. Dheeraj Wadhwan & PAC for the purpose to acquiring equity shares and voting rights & to gain control over the management of VPIL. For which public announcement is already made & necessary documents was filled with SEBI & Bombay Stock Exchange. The company also approaches the Bombay Stock Exchange for revocation of suspension of trading in security of the company.

Internal control systems and their Adequacy:

The Company has set up an internal Audit Committee in the last quarter of current financial year to review the operational efficiencies & to increase the source of income. The Internal committee evaluates the performance of the Company and puts forth its findings and suggestions before the Audit Committee for its review.

Discussion on financial performance with respect to Operational performance:

The income of the company decreased to Rs. 1.50 lakhs in the current year as compare to Rs. 2.80 lakhs in the previous year. The profit decreased to Rs. (0.70 lakhs) from Rs. 0.95 lakhs. The income of the company is decreased due to the low commission income. The earning per share of the company is minus 0.02 for the year under review.

Material Developments in Human Resources/ Industrial Relations front, including number of people employed:

There are no employees presently employed by the Company for the year under review since the Company was not carrying out any Commercial or manufacturing activities. The Company recognizes the importance and contribution of its human resources for its growth and development and is fully committed to the development of its Human Resources at each levels as & when appointed

Cautionary Statement:

Statement in the Management Discussion and Analysis describing the company's objectives, projections, expectations and estimates regarding future performance may be "forward looking statement" and are based on currently available information. The management believes these to be true to the best of its knowledge at the time of preparation of this report. However, these statements are subject to certain future events and uncertainties, which could cause actual results to differ materially from those that may be indicated in such statements.