

# **VALLABH POLY PLAST INTERNATIONAL LIMITED**

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☆ Regd. Office ☆

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

**SEVENTEENTH ANNUAL REPORT  
2010 - 2011**

# **VALLABH POLY PLAST INTERNATIONAL LIMITED**

## **SEVENTEENTH ANNUAL REPORT**

### **BOARD OF DIRECTORS (As on 30th May, 2011)**

Mr. Sattish D. Jain

Mr. B. S. Sharma

Mr. Placid Naronha

Mr. Alcide Neil Dsouza

Mr. Ilidio Manuel Pereira

#### **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 17th Annual General Meeting of the Members of **VALLABH POLY PLAST INTERNATIONAL LIMITED** will be held at Mega Thrill Hall, Shimpoli Road, Borivali (West), Mumbai- 400 092, on Friday, 30th September, 2011 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 2011 and the Profit and Loss Account for the year ended as on that date and the Reports of the Directors' and Auditor's there on.
2. To appoint a Director in place of Mr. Sattish D. Jain, 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 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** Shri B. S. Sharma 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 Shri B. S. Sharma 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. Placid Naronha 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. Placid Naronha 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**

**SD/-**

**SATTISH D. JAIN  
DIRECTOR**

**Place : Mumbai  
Date : 30th May, 2011**

**REGISTERED OFFICE:**

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

## **VALLABH POLY PLAST INTERNATIONAL LIMITED**

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### **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 Wednesday 28th September 2011 to Friday 30th September, 2011 (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 folios along with share certificates to the Company.
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.
9. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item no. 4 and 5 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**

Shri B. S. Sharma was appointed as additional director at the Board of Directors Meeting held on 30th May, 2011, in his capacity as an Independent Non-Executive 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 Shri B. S. Sharma as candidate for the office of Director.

Shri B. S. Sharma is Commerce Graduate from the University of Mumbai and having vast experience in the field of Banking, Finance, Administration and Accounts.

The Board recommends his appointment. None of the Director except Shri B. S. Sharma, is concerned or interested in this resolution.

##### **Item No. 5**

Mr. Placid Naronha was appointed as Additional Director at the Board of Directors Meeting held on 30th May, 2011, in his capacity as an Independent Non-Executive 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. Placid Naronha as candidate for the office of Director.

Placid is a Commerce Graduate from the University of Mumbai and is having more than 13 years of rich experience in purchase.

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

**By Order of the Board of Directors**

**Place : Mumbai**  
**Date : 30th May, 2011**

**Sattish D. Jain**  
**Director**

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors hereby present the Seventeenth Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2011

### **FINANCIAL HIGHLIGHTS:**

	(Rs.inLakhs)	
	<b>31/03/2011</b>	<b>31/03/2010</b>
Profit/Loss before interest & depreciation & before extra ordinary items	(1.84)	(0.70)
<b>Less:</b> Depreciation	-	-
Net Profit before Tax	(1.84)	(0.70)
<b>Less:</b> Provision for Tax	-	-
<b>Less:</b> Provision for FBT	-	-
<b>Less:</b> Minimum Alternative Tax Credit Entitlement	-	-
Extra ordinary item	-	-
Profit/(Loss) Available for Appropriation	(1.84)	(0.70)

### **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 2011.

### **OPERATIONS:**

During the financial year ended 2010-2011, no commercial or manufacturing activity were carried out by the Company. As informed to the shareholders in the last Annual General Meeting, the Company has since complied with all the provisions of the listing agreement and the equity shares of the company were relisted on the Bombay Stock Exchange with effect from 28th July, 2010. During the current year, the equity shares of the Company were also admitted in Central Depository Services Limited (CDSL) with effect from 11th November, 2010. The shareholders who still hold the equity shares in physical form can now dematerialise their shareholdings in any of the two depositories i.e. NSDL/CDSL. Due to relisting of the equity shares of the company, many shareholders have been benefited.

In the month of November, 2010, the takeover process of the your Company by Shri Dheeraj Wadhawan, the Acquirer and the PAC's was completed by acquiring majority shareholdings of the promoters/promoter group.

### **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:**

#### **Appointment**

Mr. B. S. Sharma and Mr. Placid Naronha were appointed as additional directors of the Company with effect from 30th May, 2011. Pursuant to Section 260 and Article 126 of the Articles of Association of the Company, they hold office upto the date of the ensuing Annual General Meeting. The Company has received notices under Section 257 of the Act along with the requisite deposit proposing the candidature of Mr. B. S. Sharma and Mr. Placid Naronha, as a Directors at the ensuing Annual General Meeting.

#### **Resignations**

Mr. Kiran U. Rathod, Mr. Vinod U Rathod and Mr. Tulsiram P Dangi resigned as the Directors of the Company with effect from 30th May 2011. The Board placed on record its gratitude and appreciation for the valuable assistance, advice and support rendered by them throughout their period of association with the Company.

#### **Directors by Rotation**

In accordance with the requirement of the Companies Act, 1956, Mr. Sattish D. Jain is liable to retire but is eligible for re-appointment. Your Directors recommend his re-appointment as Director of your Company.

### **PREFERENTIAL ALLOTMENT :**

Your Company at the Extra – Ordinary General Meeting held on 23rd February, 2010 have obtained approval of shareholders of the Company for issue upto 78,04,100 Equity Shares of Rs. 10/- each for cash at par to the persons other than the existing shareholders of the Company on a Preferential basis. Your Company had made an application to BSE for in-principle approval for issue and allotment of securities. BSE had informed the company to furnish an undertaking about the re-computation of the price and collection

## **VALLABH POLY PLAST INTERNATIONAL LIMITED**

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of differential amount, if any. Your Company is also examining other avenues for raising the funds including the issue of shares on preferential allotment basis based on Trading History.

### **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:**

Since the company is not carrying out any commercial or manufacturing activities, the particulars relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is not applicable.

### **AUDITORS:**

M/s. Ramesh Chaturvedi & Co., Chartered Accountants, the present Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. It is proposed to re-appoint them as the Statutory Auditors of the Company until the conclusion of the next Annual General Meeting. M/s. Ramesh Chaturvedi & Co., have under Section 224 (1) of the Companies Act, 1956, furnished the certificate of their eligibility 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
- Auditors Certificate regarding compliance of conditions of the Corporate Governance
- Declaration on compliance with code of Conduct.

### **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 for the financial year 31st March, 2011, pursuant to Section 383A of the Companies Act, 1956 is issued by a Company Secretary in Whole time in Practice is enclosed herewith.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that:

- (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 for the year ended 31st March, 2011, on a going concern basis.

### **APPRECIATION:**

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

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

**Place : Mumbai**  
**Date : 30th May, 2011**

**SATTISH D. JAIN      KIRAN U. RATHOD**  
**DIRECTOR              DIRECTOR**

## **MANAGEMENT DISCUSSION AND 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 and plans to enter into other areas of business.

### **Segment- wise or product – wise performance:**

The company currently is 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:**

Uncertainties in business offer opportunities and downside risks. Hence the promoters of the Company has sold their major shareholdings and voting rights to Shri Dheeraj Wadhawan and others to enable them to gain control over the management of the Company. The new promoters have promoted several real estate and hospitality companies and propose to amend the Object Clause to include, commencement of activities of Real Estate and Infrastructure Development etc.

### **Internal control systems and their Adequacy:**

Your Company has a sound and adequate system of Internal Controls for financial reporting of various transactions, efficiency of operations and compliance with relevant laws and regulations. The internal control systems consist of regular operative performance evaluation and devising corrective measures thereof and comprehensive internal and external audits.

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 increased to Rs. 3.95 lakhs in the current year as compare to Rs. 1.50 lakhs in the previous year. The loss increased to Rs. (1.84) lakhs from Rs. (0.70) Lakhs. The income of the company is increased due to the higher commission income. The earning per share of the company is minus Rs. 0.04 for the year under review. The increase in loss was due to increase in administrative & other expenses.

### **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.

# VALLABH POLY PLAST INTERNATIONAL LIMITED

## REPORT ON CORPORATE GOVERNANCE.

Your company has complied in all material respects with the Corporate Governance code as per clause 49 of Listing Agreement with the Stock Exchange. A report on the Corporate Governance Compliance is furnished below:-

### 1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE.

The Company is committed to maintain highest level of Corporate Governance with transparency & Corporate Accountability in its actions & operations and to pursue objective that are in the best interest of the company and its shareholders & stakeholders.

### 2) BOARD OF DIRECTORS.

The Board of Directors of the company has been constituted of independent Directors. As on 31st March, 2011, all the directors are independent Director.

During the financial year 2010-11 five (5) Board Meetings were held on 27th May 2010, 29th July 2010, 14th August 2010, 03rd November 2010 and 22nd January 2011. The details of attendance of the Directors at the last Annual General Meeting and Board Meetings are as under:-

Director	Category of Director	No. of Mtg. held	No. of Mtg. attend	Last AGM Attendance	No. of Directors up On Board of Others public Co	No. of other company comm where he is a Chairman or Member
Mr. Sattish D. Jain	Director	5	5	Yes	-	-
Mr. Kiran U. Rathod	Director	5	5	Yes	-	-
Mr. Vinod U. Rathod	Director	5	5	Yes	-	-
Mr. Alcide N. Disouza	Independent Non-Executive	5	5	Yes	-	-
Mr. Tulsiram P. Dangi	Independent Non-Executive	5	5	Yes	-	-
Mr. Ildio M. Pareira	Independent Non-Executive	5	5	Yes	-	-

### CODE OF CONDUCT.

The Board of Director has adopted the code of Business conduct and Ethics for all Directors. The said code has been communicated to all the Directors.

### 3) AUDIT COMMITTEE.

#### a) TERMS OF REFERENCE.

The Audit Committee plays a key role, standing at the intersection of management, independent auditors, internal auditors and the Board of Directors. Audit Committees need to ensure that the disclosure of the financial information is correct, sufficient and credible in accordance with the provisions of the listing Agreement and section 292A of the Companies Act, 1956. The Audit committee needs to ensure accountability on the part of management and internal and external auditors; make all groups involved in the financial reporting and internal controls process and understand their roles; gain input from the internal auditors, external auditors, and outside experts when needed; and safeguard the overall objectivity of the financial reporting and internal controls process.

#### b. COMPOSITION:

The Audit Committee of your Company comprises of 3 (three) Independent Directors. The members of the Audit Committee as on 31st March 2011 were Mr. Tulsiram Padamji Danji (Chairman), Mr. Alcide Neil D'souza and Mr. Kiran U Rathod, all of whom are financially literate.

During the year under review, the Committee met Four (4) times. The Meetings were held on 27th May, 2010, 14th August, 2010, 3rd September, 2011 and 22nd January, 2011.



The details of the attendance of the members of the Committee are listed below:-

Name	No. of Meetings Attended	Attendance at the last AGM held on 29th July, 2010
Shri Tulsiram Padamji Danji	4	Yes
Mr. Alcide Neil D'souza	4	Yes
Mr. Kiran U Rathod	4	Yes

The role of the Audit Committee, inter-alia includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors, fixing of audit fees and approving payments for any other services rendered by them.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report as per Section 217(2AA) of the Companies Act, 1956;
  - b) Changes in the Accounting policies and practices and the reasons for the same, major accounting entries and significant adjustments made in the financial statements arising out of audit findings;
  - c) Compliance with listing and other legal requirements relating to financial statements;
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing the Company's financial and risk management policies.
- Any other terms of reference as may be included from time to time in clause 49 of the Listing agreement.

#### **4) REMUNERATION POLICY:**

As there is no manufacturing or commercial activity in the company & considering the grievous financial position of the company, No remuneration is paid to any Directors of the company during the financial year under review. Hence disclosure on remuneration of Non – Executive Independent Directors required pursuant to clause III of clause 49 is not made.

#### **5) SHAREHOLDER'S / INVESTOR'S GRIEVANCE COMMITTEE.**

The Shareholders/Investor's Grievance Committee consisted of Mr. Sattish D Jain as the Chairman and Mr. Kiran U Rathod as member.

During the financial year ended 31st March 2011, the Committee met on 26th July 2010, 05th October 2010, 15th October 2010, 25th October 2010, 05th November 2010, 23th November 2010, 30th November 2010, 06th December 2010, 15th December 2010, 24th December 2010, 05th January 2011, 17th January 2011, 25th January 2011, 25th February 2011, 15th March 2011 and 25th March 2011.

The terms of reference of the Committee include the following:

1. power to redress the shareholders' and investors' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc;
2. power to delegate share transfer to an officer or a committee or to the registrar and share transfer agents to expedite the process of share transfers;
3. power to approve share transfer, transmission, transposition, sub-division, split-up, consolidation, issue of duplicate share certificates and to do all such related matters as may be necessary in accordance with the Company's Articles of Association;
4. to review correspondence with the shareholders and take appropriate decisions in that regard;

The total numbers of complaints received and replied during the year was Nil.

No request for share transfers or complaints was pending as on 31.03.2011.