

VALLABH POLY PLAST INTERNATIONAL LIMITED

• Regd. Office •

Raheja Point -1, 3rd Floor, Jawaharlal Nehru Road, Vakola, Santacruz (East), Mumbai – 400 055.

**Nineteenth Annual Report
2012 - 2013**

VALLABH POLY PLAST INTERNATIONAL LIMITED

NINETEENTH ANNUAL REPORT

BOARD OF DIRECTORS

Mr. B. S. Sharma
Mr. Placid Naronha
Mr. Alcide Neil Dsouza
Mr. Illidio Manuel Pereira

Auditors

M/s. Ramesh Chaturvedi & Co., Mumbai

Registrar and

Karvy Computershare Private Limited.

Share Transfer Agents

Plot no. 17 to 24, Vithalrao Nagar, Madhapur
Hyderabad – 500 081,
Telephone – 040 – 44655000,
Fax No. – 040 – 23420814,
Email id – einward.ris@karvy.com ,
Website - www.karvycomputershare.com

Registered Office

Raheja Point -1, 3rd Floor, Jawaharlal Nehru Road,
Vakola, Santacruz (East), Mumbai – 400 055.

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NOTICE

Notice is hereby given that the 19th 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 Monday, 30th September, 2013 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 2013 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. B. S. Sharma, who retires 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."

For and on behalf of the Board of Directors

Sd/-

B. S. Sharma
Director

Place : Mumbai
Date : 20th May, 2013

REGISTERED OFFICE:

Raheja Point -1, 3rd Floor,
Jawaharlal Nehru Road,
Vakola, Santacruz (East),
Mumbai – 400 055.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING 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, 24th September 2013 to Monday, 30th September, 2013 (both days inclusive.)
3. Members are requested to promptly notify any changes in their addresses to our Registrar and Share Transfer Agents, M/s. Karvy Computershare Private Limited and members holding shares in electronic form are requested to intimate immediately any change in their address to their Depository Participants with whom they are maintaining their demat accounts.
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 Annual 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.

VALLABH POLY PLAST INTERNATIONAL LIMITED

Information as required under Clause 49 (VI) (G) of the Listing Agreement in respect of Re-appointment of Director in the ensuing Annual General Meeting:

1	Name of the Director	Mr. B.S. Sharma
2	DIN No.	00230202
3	Father's Name	Bal Swarup Sharma
4	Date of Birth	12/11/1939
5	Address	Flat No. 1306, A-1, Riddhi Gardens Fimcity Road, Malad (East) Mumbai – 400 097
6	Designation	Director
7	Education	M. Com from University of Rajasthan
8	Company in which he holds directorship	1. Township Developers India Limited 2. DHFL Sales and Services Limited 3. First Blue Financial Consultants Limited
9	Company in which he is the Member of the Committee	Nil
10	Shareholding in Company	Nil

DIRECTORS' REPORT

Dear Shareholders,

Your Directors hereby present the Nineteenth Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2013.

FINANCIAL HIGHLIGHTS

(Rs.in Lakhs)

	31/03/2013	31/03/2012
Profit/Loss before interest & depreciation & before extra ordinary items	0.27	0.56
Less: Depreciation	-	-
Net Profit before Tax	0.27	0.56
Less: Provision for Tax	0.05	0.17
Less: Minimum Alternative Tax Credit Entitlement.	-	-
Extra ordinary item	-	-
Profit/(Loss) Available for Appropriation	0.22	0.38

DIVIDENDS

In view of the inadequacy of the divisible profits, earned by the Company during the financial year 2012-2013, your Directors are unable to recommend any dividend for the financial year under review.

AUDITOR'S REPORT

The Auditors report is self – explanatory and do not call for any further explanation.

DIRECTORS:

During the year, Mr. Sattish D Jain, Director, had resigned from the Directorship of the Company with effect from 12th February, 2013. The Board placed on record his sincere appreciation for the invaluable guidance and services rendered by him during his tenure as Director of the Company.

DIRECTORS BY ROTATION

In accordance with the requirement of the Companies Act, 1956, Mr. B. S. Sharma is liable to retire by rotation and is eligible for re-appointment. Your Directors recommend his re-appointment in the ensuing Annual General Meeting as a Director of your Company.

FIXED DEPOSITS

During the year, the Company has not accepted any 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 any manufacturing activities, the particulars relating to the conservation of energy and technology absorption, as required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is not applicable.

The Foreign Exchange Earnings & Outgo is reported to be Nil during the year under review.

AUDITORS

M/s. Ramesh Chaturvedi & Co., Mumbai, Chartered Accountant, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. M/s. Ramesh Chaturvedi & Co., have sought re-appointment and confirmed that their re-appointment shall be within the limits of Section 224 (1B) of the Companies Act, 1956. The necessary eligibility certificate under Section 224(1B) of the Companies Act, 1956, was received from them. The Audit Committee and Board of Directors recommend the appointment of M/s. Ramesh Chaturvedi & Co., Chartered Accountants, as the auditors of your Company.

CORPORATE GOVERNANCE

Pursuant to clause 49 of the listing agreement entered with the Bombay Stock Exchange Limited the following have been made part of this 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 for the Board of Directors.

VALLABH POLY PLAST INTERNATIONAL LIMITED

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 ending 31st March, 2013, pursuant to Section 383A of the Companies Act, 1956 as issued by M/s Milind Nirkhe & Associates a Company Secretary in Whole time 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, 2013, on a going concern basis.

ACKNOWLEDGEMENT

Your Directors express their gratitude to the Company's Bankers, Bombay Stock Exchange Limited, other statutory authorities, bodies, individuals for their continued support and co-operation.

For and on behalf of the
Board of Directors

Place : Mumbai
Date : 20th May, 2013

B. S. Sharma
Director

Placid Naronha
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 (VPPIIL) is basically a manufacturing Company and now as per 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 is no reportable geographical/ different segment wise report.

Outlook :

The present object of the company has since become unviable due to strict regulatory norms. However, the management is optimistic and exploring other business opportunities, which shall enhance the shareholders value.

Risk & Concern:

Uncertainties in business offer opportunities and downside risks. Hence the promoters of the Company propose to explore and undertake other business activities which shall enhance the shareholders value.

Internal control systems and their Adequacy:

Your Company has adequate internal controls in place. 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 was Rs. 5.16 lakhs in the current year as compared to Rs. 8.34 lakhs in the previous year. The net profit of the company was Rs. 0.22 lakhs in the current year, as compared to Rs. 0.38 lakhs in the previous year. The earnings per share of the company is Rs. 0.01 for the year under review. The decrease in profits for the year under review 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. However, 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 and 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.

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is important to build confidence and trust which leads to strong and stable partnership with the Investors and all other Stakeholders. The detailed Report on implementation of Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with the Bombay Stock Exchange is set out below:

1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE.

The Company's philosophy on Corporate Governance lays strong emphasis on transparency, accountability and ability. The Company has implemented the mandatory requirements of the 'Code of Governance' as mentioned in Clause 49 of the Listing Agreement. The Compliance Report of the Company vis-a-vis the Stock Exchange Listing Agreement is presented below.

2) BOARD OF DIRECTORS.

The Board of Directors of the Company comprises of 4 Independent Non-Executive Directors as on 31st March, 2013. The Board consists of eminent persons with considerable professional expertise and experience in business and industry, finance, audit, law and public enterprises. None of the Directors on the Board is a Member of more than ten Committees and Chairman on more than five Committees across all the companies in which he is a Director. All the Directors have made disclosures regarding their directorships and memberships on various Committees across all Companies in which they are Directors and Members.

Board Meetings and attendance record of each Director

During the financial year 2012-13 Four (4) Board Meetings were held on 30.05.2012, 14.08.2012, 09.11.2012 and 12.02.2013 and the gap between the two meetings were not more than four months.. 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 On Board of Others public Co	No. of other company / committees where he is a Chairman or Member
Mr. Sattish D. Jain	Director *	4	3	No	-	-
Mr. B. S. Sharma	Independent Non-Executive	4	4	No	3	
Mr. Alcide N. Disouza	Independent Non-Executive	4	4	Yes	-	-
Mr. Ildio M. Pareira	Independent Non-Executive	4	4	Yes	-	-
Mr. Placid Naronha	Independent Non-Executive	4	4	Yes	2	-

* Resigned as director with effect from 12th February, 2013.

CODE OF CONDUCT.

The Board of Directors have 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 terms of reference, role and power of the Audit Committee as revised and stipulated by the Board of Directors from time to time are in conformity and in line with the statutory and regulatory requirements as prescribed under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

b. COMPOSITION

Presently, the Audit Committee comprises of three member Directors viz., Mr. Alcide Neil D'souza, Mr. B. S. Sharma and Mr. Placid Naronha, all of whom are financially literate. All the members of the Audit Committee are Non-Executive Directors and all are independent. Mr. Alcide Neil D'souza is the Chairman of the Audit Committee. The Chairman of the Audit Committee attended the Annual General Meeting (AGM) held on 28.09.2012. All the Members of the Audit Committee have accounting and financial management expertise.

Details of Meetings and attendance

During the year under review, the Committee met Four (4) times. The Meetings were held on 30.05.2012, 14.08.2012, 09.11.2012 and 12.02.2013.

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 28 th September, 2012
Mr. Alcide Neil D'souza	4	Yes
Mr. B. S. Sharma	4	Yes
Mr. Placid Naronha	4	Yes

c. The Role of Audit Committee includes the following :

1. Overseeing of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. 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 in terms of Clause No. (2AA) of Section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by Management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the Management, the quarterly Financial Statements before submission to the Board for approval.
6. Reviewing, with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the Management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems.
8. Reviewing the adequacy of Internal Audit Function, if any, including the structure of the Internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with Internal Auditors any significant findings and follow up thereon.
10. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower Mechanism, in case the same is existing.
14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
15. To review the following information:
 - The Management Discussion and Analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;