

VAPI ENTERPRISE LIMITED

(Formerly Known as Vapi Paper Mills Limited)

40 TH ANNUAL REPORT

F.Y. 2013-2014

VPM

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

COMPANY SECRETARY **Shri Prakash V. Kotak**

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**

PLANT **298-299, GIDC Industrial Area**
Vapi 396 195
Dist. Valsad (Gujarat)

REGISTRARS AND **M/s BIGSHARE SERVICES PVT. LTD.**
TRANSFER AGENTS **E-2/3, Ansa Industrial Estate,**
Saki Vihar Road, Andheri (E)
Mumbai- 400 072

NOTICE

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NOTICE is hereby given that the 40th ANNUAL GENERAL MEETING of the Shareholders of **VAPI ENTERPRISE LIMITED** (formerly known as Vapi Paper Mills Ltd.) will be held at the Registered Office of the Company at 213, UdyogMandir No. 1, 2nd Floor, 7/C Pitamber Lane, Mahim (West), Mumbai – 400 016 on Tuesday, the 30th September, 2014 at 3:00 P. M. to transact the following business : -

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AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report, Auditors' Report, Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2013.
2. To appoint a Director in place of Shri Laxmiben J. Patel who retire from office by rotation, and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

“RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, Chirag Shah and Associates, Chartered Accountants (ICAI Firm Registration No. 118215W), the retiring Auditors of the Company, be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the AGM of the Company to be held in the year 2017(subject to ratification of their appointment at every AGM), to examine and audit the accounts of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors plus reimbursement of service tax, travelling and out-of pocket expenses.”

By order of the Board

Place: Mumbai
Dated: 1st September, 2014

Sd/-
Manoj R. Patel
Managing Director
DIN No. 00485197

NOTES :

1. A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and on a Poll, vote instead of himself and a proxy need not be a Member of the Company, Proxies in order to be effective must be received by Company not less than 48 hours before the commencement of the Meeting.
2. The Register of Members & Share Transfer Books of the Company will remain closed from September 23rd, 2014 to September 30th, 2014 (both days inclusive) for the purpose of 40th Annual General Meeting (AGM) of the Company to be held on September 30, 2014.
3. Members are requested to notify immediately any change in their address to the Company or its Registrars and Transfer Agents of the Company M/s Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400 072.
4. Members desirous of seeking any information about the Accounts of the Company are requested to address their queries in writing, to the Company at least Seven days in advance of the meeting so that the requested information can be made readily available at the time of the meeting.
5. The Company has been allotted ISIN No. INE464D01014. Members are requested to approach their DPs for dematerialization of equity shares of the Company.

ATTENDANCE SLIP

DP ID.	
CLIENT ID	

FOLIO NO.	
NO. OF SHARES	

Name & Address of Shareholder / Proxy holder

I certify that I am a registered Shareholder / Proxy for the registered Shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company held on Friday, the 30th September, 2014 at the Registered Office of the Company at 213 UdyogMandir No.1, 7/C Pitamber Lane, Mahim-West, Mumbai -400016.

Member's / Proxy's Signature

(Shareholder attending the meeting in person or by proxy is requested to complete the attendance slip and handover at the entrance of the Meeting Hall)

PROXY FORM

DP ID.	
CLIENT ID	

FOLIO NO.	
NO. OF SHARES	

I / We _____
 of _____

Being a Member / Members of _____ Limited hereby appoint Mr. / Ms. _____

as my / our Proxy to attend and vote for me / us and on my / our behalf at the ANNUAL GENERAL MEETING of the Company to be held on _____, the _____ and at any adjournment(s) thereof.

Signed this _____ day of _____ 2014

Affix
 Re.1/-
 Revenue
 Stamp

Signature(s)

Proxy form must reach company's registered office not later than 48 hours before the commencement of the meeting

FOR OFFICE USE ONLY

DATE OF RECEIPT

DIRECTORS' REPORT

To,

The Members of**VAPI ENTERPRISE LIMITED,**

(Formerly Known as Vapi Paper Mills Limited)

Your Directors have pleasure in presenting the 40th Annual Report of the Company together with Audited statement of Accounts for the year ended 31st March, 2014.

1. FINANCIAL RESULTS :

	(Rupees in Lacs)	
	2013-14	2012-13
	=====	=====
Net Sales and Other Income	108.37	95.51
Gross Profit / (Loss)	52.43	(132.59)
Less: Depreciation	14.85	14.89
Profit / (Loss) before Tax	37.58	(147.48)
Less : Provision for		
Income Tax	-	-
Deferred Tax	-	-
Net Profit / (Loss) After Tax	37.58	(147.48)
Less: Extra Ordinary Items	(7.18)	(20.34)
Net Profit / (Loss) After Tax & Extra Ordinary Items	30.40	(167.82)
Add : Balance of Profit/(Loss) brought forward	(1621.22)	(1453.40)
Surplus available for Appropriations:	(1590.82)	(1621.22)
Surplus / (Deficit) carried to Balance Sheet	(1590.82)	(1621.22)
	=====	=====

2. DIVIDEND:

The Directors do not recommend any Dividend on Equity Shares for the year ended 31st March, 2014

3. OPERATIONS:

The Company has earned Net Revenue of Rs. 108.37 lacs during the year. The company has earned Net Profit of Rs. 30.39 lacs during the year. The cash profit from operations pertaining to current year mentioned above is Rs. 52.43 lacs.

The company and the management continue to look for opportunities to enter new businesses at the opportune time of the business cycle. As per the conservative policy of the company, the management will take value enhancing decisions at the appropriate time.

As the company is not presently engaged in any manufacturing operations, disclosures pursuant to section 217(1) (e) of the Companies Act, 1956 related to Conservation of Energy, Power and Fuel Consumption, Particulars with respect to Absorption, Adaption and Innovation, Foreign exchange Earnings and Outgo is not applicable and does not require any additional disclosures except that included in the notes to accounts.

4. FIXED DEPOSITS:

At the end of the financial year, there was no overdue Deposits.

5. DIRECTORS:

In accordance with the provisions of the Companies Act, 1956, Smt. Laxmiben J. Patel retires by rotation at the ensuring Annual General Meeting and being eligible, offer himself for re-appointment.

6. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Sub Section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- i. In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. The Directors have 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 of the Company for that year;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts on a going concern basis.

7. INSURANCE:

The Insurable interest in all the properties of the company including buildings and other assets have been adequately insured considering the age, condition and useful life.

8. DISCLOSURE OF PARTICULARS:

Information required under the Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988, relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is not required to be attached as the company did not carry out any manufacturing activities during the year.

9. PARTICULARS OF EMPLOYEES:

Information pursuant to Section 217 (2A) of the Companies Act, 1956 read with Companies (particulars of Employees) Rules, 1975 as amended is not attached as the company did not have any such employee employed during the year under review.

10. CORPORATE GOVERNANCE:

The provisions of clause 49 of Listing Agreement with Mumbai Stock Exchange relating to Corporate Governance are not yet applicable to your company as paid-up capital of the company is below prescribed limit.

11. AUDITORS:

M/S Chirag N. Shah and Associates, Chartered Accountants retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. You are requested to appoint Auditors to hold office until the next Annual General Meeting and fix their remuneration.

12. AUDITORS REPORT OBSERVATIONS:

Your Directors refer to the observations made by the Auditors in their report and wish to inform as under:

1. The reference to the qualification with respect to the realisability of Long Term Deposits, Loans and Advances and Trade Payables, the Directors wish to state that these are accounted for with maximum prudence and conservative accounting approach and in the opinion of the Directors are fully realizable.

VAPI ENTERPRISE LTD.

Annual Report 2013-2014

(Formely Known as VAPI PAPER MILLS LTD.)

CIN : L21010MH1974PLC032457

Maximum effort is being pursued to obtain confirmation certificates from such parties in order to satisfy Audit requirements.

2. A large majority of the fixed assets of the company consists of land, building, road works, general electrification, water works and general maintenance equipment. The fixed assets related to machinery and old stocks and stores and spares have largely been disposed of or written of. Hence the company is in the process of compiling the revised fixed assets register and which will be completed in due course to satisfy Audit requirements.
3. The company's accounts are being reported as a going concern inspite of negative networth of the company as the company is generation cash profits and in the opinion of the Directors, the company will eventually turn networth positive. The Directors will also explore mechanisms to infuse funds into the company in order to return to netwoth positive.
4. Unsecured Loans received by the company are primarily ICD from group companies and loans from Directors. These were taken to meet pressing and heavy financial needs of the company in the past. These loans are non-interest bearing and have been fully disclosed in the notes concerning related party transactions. Apart from these loans, the company has not accepted any unsecured loans from the public.

For and on behalf of the Board

Sd/-

Manoj R. Patel

DIN No. 00485197

(Managing Director)

Sd/-

Rajeev R. Patel

DIN No.00510532

(Director)

Place : Mumbai

DATED : 31th May, 2014

CHIRAG N SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS

**Independent Auditors' Report
To The Members of Vapi Enterprise Limited (Formerly known as Vapi Paper Mills
Limited)**

Report on the Financial Statements

We have audited the accompanying financial statements of Vapi Enterprise Limited ("the Company- Formerly Known as Vapi Paper Mills Limited"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year ended March 31, 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the disclosures and amounts in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material

CHIRAG N SHAH & ASSOCIATES
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misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

i. In our opinion, the following accounting standards are not complied by the company:

- 1. Accounting Standard (AS-15) on "Employee Benefits"; regarding non provisioning of employee benefits*
- 2. Accounting Standard (AS-24) on "Discontinuing Operations"*
- 3. Accounting Standard (AS-28) on "Impairment of Assets".*
- 4. Accounting Standard (AS-22) on "Deferred tax".*

The effect of the above on assets and liabilities, as well as loss and reserves is not ascertainable.

ii. We are unable to form an opinion about the realisability of:

- a. Balance of Rs.31,09,647/- of long term trade payables is subject to confirmation and adjustment, if any, required upon such confirmations are not determinable.

CHIRAG N SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS

- b. Balance of Rs.54,75,000/- of Long term borrowings from others is subject to confirmation and adjustment, if any, required upon such confirmations are not determinable.

The effects of the matters referred to para above on assets and liabilities, as well as profit and reserves could not be ascertainable.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *(subject to the possible effects of the matter described in the Basis for Qualified Opinion paragraph)*, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- 1) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- 2) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- 3) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter:

We draw attention that the Company's accumulated losses as on March 31, 2014 were Rs.15,90,82,708/- as against paid up capital and reserves of Rs.9,02,08,547/-. Hence, Company's net worth is negative. However, the accounts are prepared on the basis that Company is a going concern. In our opinion, the ability of the Company to continue as a going concern is dependent upon the surplus that may be generated out of present activity as well as promoters bringing in funds to finance losses. Our opinion on this matter is not qualified.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2) As required under provisions of section 227(3) of the Companies Act, 1956, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 *subject to those mentioned under "basis for qualified opinion"*.
 - e) On the basis of written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

CHIRAG N SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS

For Chirag N Shah & Associates
Chartered Accountants
FRN.118215W

Sd/-
Hetal C. Shah
Partner
Membership No: 111610
Place: Mumbai
Date : 31st May, 2014, 2014

ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 1 of our report on Other Legal and Regulatory Requirements]

- (i) In respect of fixed assets:
- a. *The Company has not maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.*
 - b. *The fixed assets have not been physically verified by the management. In the absence of physical verification, we are not in a position to comment on the discrepancies, if any, between physical and book balances and the impact thereof.*
 - c. In our opinion, the Company has not disposed off substantial part of fixed assets during the year, and the going concern status of the company is not affected.
- (ii) In respect of Inventories:
- a. Since the company is not having inventory, the para 4(ii)(a) of the order is not applicable.
 - b. Since the company is not having inventory, the para 4(ii)(b) of the order is not applicable.
 - c. Since the company is not having inventory, the para 4(ii)(c) of the order is not applicable.

CHIRAG N SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS

- (iii) In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956
- a. The company has not granted any loan to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and therefore, reporting requirement:
1. Under clause 4(iii)(a) of the order is not applicable to the company.
 2. Under clause 4(iii)(b) of the order is not applicable to the company.
 3. Under clause 4(iii)(c) of the order is not applicable to the company.
 4. Under clause 4(iii)(d) of the order is not applicable to the company.
- b. The company has taken loan from two companies and two individuals listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 8,33,52,967/- and the year-end balance of loans taken from such parties was Rs. 8,17,24,555/-
- c. In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, *prima facie*, prejudicial to the interest of the company.
- d. In respect of loans taken by the company the principal amount is repayable on demand. As per information and explanation given to us, no demand of the interest/principal amount has been made during the financial year.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) In respect of the contracts or arrangements referred to in section 301 of the Companies Act, 1956:
- a. According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

CHIRAG N SHAH & ASSOCIATES
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- b. In our opinion and according to the information and explanations given to us, transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs.5,00,000/- in respect of any party during the year have been made at prices which are reasonable having regard to market prices prevailing at the relevant time or compared to prices at which purchases were made from other parties.
- (vi) *According to information and explanations given to us, the company has not accepted any deposits from public during the concerned financial year. However, in respect of unsecured loans from parties obtained in earlier years and outstanding as on March 31, 2014, the Company has not complied with the provisions of sections 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 (hereinafter referred to as Rules), as mentioned hereunder:*
- The Company has not maintained liquid assets as required by Rule 3A of the Rules.*
 - The Company has not filed statement in lieu of advertisements with the Registrar of Companies under Rule 4A (1) of the Rules, and*
 - The Company has not filed returns of deposits with the Registrar of Companies, under Rule 10 of the Rules.*
- Further, we are informed that no Order has been passed by the Company Law Board ('the CLB') or National Company Law Tribunal ('the NCLT') or Reserve Bank of India ('the RBI') or any Court or any other Tribunal.*
- (vii) *The Company does not have formal internal audit system.*
- (viii) As per the information and explanation given to us, the company is not required to maintain cost records pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956.
- (ix) In respect of statutory dues:
- In our opinion and according to the information and explanation given to us, the company has been *generally* regular in depositing undisputed statutory dues including Provident Fund, Sales Tax, Income Tax, Wealth Tax, Investor Education and Protection Fund, Custom duty, Excise duty, and other statutory dues as may

CHIRAG N SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS

be applicable to the company *except in case of Professional tax . Income Tax deducted at Source and Service Tax dues there were paid late. The companies contribution towards profession tax is not provided for and the staff profession tax of Rs.80,715/- is outstanding for a period more than six months from the date they become payable.*

- b. According to the information and explanation given to us, there are no dues of sale tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- (x) *In our opinion, the company has been registered for a period more than five years, the accumulated losses of the company are more than fifty percent of its net worth and it has not incurred cash loss in the current year and in the immediately preceding financial year.*
- (xi) In our opinion and according to the information and explanations given to us, the company has not raised loans from financial institution or bank neither issued debentures therefore the reporting requirement of clause 4(xi) of the Order is not applicable.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the reporting requirement under clause 4(xii) the Order is not applicable to the company.
- (xiii) In our opinion, the company is not a chit fund or a *nidhi* mutual benefit fund / society. Therefore the reporting requirement under clause 4(xiii) the Order is not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the reporting requirement under clause 4(xiv) the Order is not applicable to the company.
- (xv) We are informed that, the company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, the reporting requirement under clause 4(xiv) the Order is not applicable to the company.

CHIRAG N SHAH & ASSOCIATES
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- (xvi) According to the information and explanations given to us, the company has not availed any term loans during the year. Accordingly, the reporting requirement under clause 4(xvi) of the order is not applicable to the company.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment.
- (xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, the company has not issued debentures during the year.
- (xx) According to the information and explanations given to us, the company has not raised any money by way of public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For Chirag N Shah & Associates
Chartered Accountants
Firm Reg. No. : 118215W

Sd/-
Hetal Shah
Partner
Membership no.111610
Place: Mumbai
Date: 31st May, 2014

VAPI ENTERPRISE LIMITED
(Formerly known as Vapi Paper Mills Limited)
BALANCE SHEET AS AT MARCH 31, 2014

(Amt in Rs.)

NO.	PARTICULARS	NOTE	AS AT MARCH 31, 2014	AS AT MARCH 31, 2013
I	EQUITY AND LIABILITIES			
1	Shareholder's Funds			
	Share Capital	2	22,814,500	22,814,500
	Reserves and Surplus	3	(91,688,661)	(94,727,969)
			(68,874,161)	(71,913,469)
2	Non-Current Liabilities			
	Long-Term Borrowings	4	81,724,555	83,307,967
	Other Long Term Liabilities	5	17,664,820	15,122,825
			99,389,375	98,430,792
3	Current Liabilities			
	Short-Term Borrowing	6	120,756	295,006
	Trade Payables	7	1,107,191	1,577,566
	Other Current Liabilities	8	2,022,755	3,175,965
	Short Term Provisions	9	2,298,987	2,465,722
			5,549,689	7,514,259
	TOTAL		36,064,903	34,031,581
II	ASSETS			
1	Non-Current Assets			
	Fixed Assets			
	Tangible Assets	10	26,735,624	26,684,901
	Non-Current Investments	11	200,000	200,000
	Long Term Loans and Advances	12	4,433,196	1,069,691
			31,368,819	27,954,592
2	Current Assets			
	Inventories	13	-	10,226
	Trade receivables	14	1,190,600	1,459,647
	Cash and Bank Balances	15	226,125	313,599
	Short-Term Loans and Advances	16	3,279,358	4,293,517
			4,696,083	6,076,989
	TOTAL		36,064,903	34,031,581
	Significant Accounting Policies and Notes form an integral part of the financial statement.	1-37		

As per our report of even date attached

For and on behalf of the board

For Chirag N Shah & Associates
Chartered Accountants
FRN No: 118215W

For Vapi Enterprise Limited

Sd/-
Hetal Shah
Partner

Sd/-
Manoj R. Patel
Director
DIN : 00485197

Sd/-
Rajeev R. Patel
Director
DIN : 00510532

VAPI ENTERPRISE LIMITED
(Formerly known as Vapi Paper Mills Limited)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2014

(Amt in Rs.)

NO.	PARTICULARS	NOTE	FOR THE YEAR ENDED ON MARCH 31, 2014	FOR THE YEAR ENDED ON MARCH 31, 2013
I	Revenue from Operations		-	-
II	Other Income	17	10,836,826	9,551,172
III	Total Revenue (I + II)		10,836,826	9,551,172
IV	Expenses:			
	Employee Benefit Expenses	18	975,778	853,440
	Financial Costs	19	491,331	472,001
	Depreciation and Amortization Expense	10	1,485,361	1,489,367
	Other Expenses	20	4,127,172	21,484,576
	Total Expenses		7,079,642	24,299,384
V	Profit (Loss) before exceptional and extraordinary items and tax (III - IV)		3,757,184	(14,748,212)
VI	Exceptional Items	21	498,174	2,033,609
VII	Profit /(Loss) Before Tax (V - VI)		3,259,009	(16,781,821)
VIII	Tax Expense:			
	Current Tax		-	-
	Short/Excess Provision of Earlier Year		219,700	-
IX	Profit/(Loss) for the period (VII - VIII)		3,039,309	(16,781,821)
X	Earning per Equity Share of face Value of Rs.10 each			
	(1) Basic		1.33	(7.36)
	(2) Diluted		1.33	(7.36)
	Significant Accounting Policies and Notes form an integral part of the financial statement.	1-37		

As per our report of even date

For, and on behalf of the board

For Chirag N Shah & Associates
Chartered Accountants
FRN No: 118215W

For Vapi Enterprise Limited

Sd/-
Hetal Shah
Partner

Sd/-
Manoj R. Patel
Director
DIN : 00485197

Sd/-
Rajeev R. Patel
Director
DIN : 00510532

Place: Mumbai
Date: 31st May, 2014

Place: Mumbai
Date: 31st May, 2014

VAPI ENTERPRISE LIMITED
(Formerly known as Vapi Paper Mills Limited)
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH,2014

(Amt in Rs.)

	PARTICULARS	2013-14	2012-13
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax as per Profit and Loss Account	3,259,009	(16,781,821)
	Adjusted for:		
	Prior period Adjustments		
	Depreciation and Amortisation Expenses	1,485,361	1,489,367
	Amounts Written off	195,805	20,175,920
	Finance Costs	491,331	472,001
	Dividend Income	(22,271)	(15,000)
	Interest Income	(154,268)	(82,716)
		1,995,958	22,039,571
	Operating Profit before Working Capital Changes	5,254,967	5,257,750
	Adjusted for:		
	Trade and Other Receivables	269,047	4,593,711
	Inventories	10,226	39,786
	Short/Excess Provision of Earlier Year	(219,700)	-
	Amounts Written off	(195,805)	(20,175,920)
	Trade and Other Payables	(470,375)	1,499,688
	Other current liability	(1,319,945)	(5,494,214)
	Long Term Loans and advances	(3,363,505)	16,828,459
	Short term loan and advance	1,014,159	(1,345,372)
	Cash Generated from Operations	979,069	1,203,889
	Taxes Paid	-	-
	Net Cash from Operating Activities	979,069	1,203,889
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(1,536,084)	(3,058,895)
	Sale of Fixed Assets	-	80,515
	Interest Income	154,268	82,716
	Dividend Income	22,271	15,000
	Net Cash (used in) Investing Activities	(1,359,546)	(2,880,664)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Long-term Borrowings	-	-
	Short Term Borrowings(Net)	(174,250)	(704,994)
	Other long term liability	2,541,995	4,159,298
	Repayment from Long-term Borrowings	(1,583,412)	(1,099,032)
	Interest Paid	(491,331)	(472,001)
	Net Cash (used in) / from Financing Activities	293,002	1,883,271
	Net Increase in Cash and cash Equivalents (A + B + C)	(87,478)	206,497
	Opening Balance of Cash and Cash Equivalents	313,599	107,103
	Closing Balance of Cash and Cash Equivalents	226,125	313,599

The notes are integral part of these financial statements.

As per our report of even date

For and on behalf of the board

For Chirag N Shah & Associates
Chartered Accountants
FRN No: 118215W

Vapi Enterprise Limited

Sd/-
Partner
Membership No. 111610

Sd/-
Manoj R. Patel
Director
DIN : 00485197

Sd/-
Rajeev R. Patel
Director
DIN : 00510532

Place: Mumbai
Date: 31st May, 2014

Place: Mumbai
Date: 31st May, 2014

SIGNIFICANT ACCOUNTING POLICIES

NOTE NO: 1

SIGNIFICANT ACCOUNTING POLICIES

A. Historical Cost Basis:

The financial statements have been prepared and presented under the historical cost (except for free hold land) convention on accrual basis of accounting in accordance with the accounting principles generally accepted in India and in compliance with provisions of the Companies Act, 1956 and comply with the mandatory Accounting Standards (AS) specified in the Companies (Accounting Standard) Rules, 2006, prescribed by the Central Government. The accounting policies have been consistently applied by the company.

B. Use of Estimates:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting year, the reported amounts of assets and liabilities and the disclosures of contingent liabilities as on the date of the financial statements. Examples of such estimates include useful life of Fixed Assets, provision for doubtful debts/ advances, deferred tax, etc. Actual results could differ from those estimates. Such difference is recognized in the year/s in which the results are known / materialized.

C. Revenue Recognition:

- a. Revenue from services is recognized as and when services are rendered as per terms of contract.
- b. Dividend income is recognized based on establishment of the right to receive such income.

D. Fixed Assets:

- a. Fixed Assets are stated at cost and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any.
- b. 'Cost' for the purpose of valuing fixed assets and capital work in progress comprises of its purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

E. Depreciation, Amortization and depletion:

- a) Depreciation on fixed assets has been provided at the rates prescribed in **Schedule XIV** to the Companies Act, 1956 as under :
 - i) As per straight line method on plant and machineries.
 - ii) As per written down value method on all other assets.
- b) Depreciation on additions/sale of assets during the year has been provided on pro-rata basis.

SIGNIFICANT ACCOUNTING POLICIES

F. Impairment of Assets:

- a) Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of Company's fixed assets. If any indication exists an assets recoverable amount is estimated, an impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.
- b) Reversal of impairment loss recognised in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

G. Investments:

Long-term investments are valued at cost less provision for diminution in the value other than temporary, if any.

H. Inventories :

Inventories of stock in process, finished goods and raw materials have been valued at lower of cost or net realizable value. Inventory of stored and spares are valued at cost. For this purpose cost is arrived at on the First in First out basis.

I. Foreign Currency Transactions:

Foreign Currency Transactions are recorded on the basis of the exchange rate prevailing on the date of transaction.

- a) Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- b) Monetary items which are denominated in foreign currency are translated at the exchange rates prevailing at the Balance Sheet date. Profit/ loss on translation thereon is credited or charged to the Profit and Loss Account.

J. Employees Benefits:

The company accounts for leave encashment benefits, bonus and gratuity on declaration.

K. Borrowing Cost :

Borrowing costs that are attributable to the acquisition / construction of qualifying assets are capitalized as part of cost of such assets. A qualifying asset is an asset that requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

L. Taxation:

- a) Tax expense comprise of current and deferred taxes.

SIGNIFICANT ACCOUNTING POLICIES

- b) Current income is measured at the amount expected to be paid to tax authorities in accordance with the Indian Income Tax Act.
- c) Deferred tax resulting from “timing difference” between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized.
- d) Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the period and available case law to re-assess realization/ liabilities.

M. Provisions, Contingent Liabilities and Contingent Assets:

- a) A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote. Contingent liabilities are not recognized but are disclosed in the notes.
- b) Contingent Assets are neither recognized nor disclosed in the financial statements.
- c) A provision is recognized when there is present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions contingent asset and contingent liabilities are reviewed at each balance sheet date.

N. General:

Accounting Policies not specifically referred to are consistent with generally accepted accounting practice.

O. Leases: As a Lessee

Leases on which significant portion of the risks and rewards of ownership are effectively retained by the lessor, are classified as operating leases. Operating leases payments are charged to the Statement Profit and Loss on a straight- line basis over the lease term.

Leases: As a Lessor

The Company has leased certain tangible assets and such leases where the Company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the lease term which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognized as an expense in Statement of Profit and Loss in period in which they are incurred.

VAPI ENTERPRISE LIMITED
(Formerly known as Vapi Paper Mills Limited)
NOTES TO FINANCIAL STATEMENTS

(AMT IN RS.)

PARTICULARS	AS AT MARCH 31, 2014	AS AT MARCH 31, 2013
2 Share Capital		
(a) Authorised Share Capital		
30,00,000 Equity Shares of Rs.10 each (Previous year 30,00,000 shares of Rs.10 each)	30,000,000	30,000,000
20,000 12 % Tax Free Redeemable Cumulative Preference Shares of Rs. 100/- each redeemable at par at any time (Previous year 20,000 shares of Rs.100 each)	2,000,000	2,000,000
	<u>32,000,000</u>	<u>32,000,000</u>
(b) Issued, Subscribed & Paid up		
22,81,450 Equity shares of Rs.10 each fully paid up (Previous year 22,81,450 shares of Rs.10 each)	22,814,500	22,814,500
Total	<u>22,814,500</u>	<u>22,814,500</u>
(c) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:		
	Number of shares	Number of shares
Number of shares outstanding at the beginning of the year	2,281,450	2,281,450
Add: Changes during the year	Nil	Nil
Number of shares outstanding at the end of the year	<u>2,281,450</u>	<u>2,281,450</u>
(d) The Rights, Preferences, Restriction including restriction on the distribution of dividend and repayments of capital:		
i) The Company is having only one class of equity shares referred to as equity shares having a par value of Rs.10. Each holder of equity shares is entitled to one vote per share held.		
ii) Dividends, if any, is declared and paid in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. However, in view of the accumulated losses, no dividend is / was declared on the equity shares for the year ended March 31, 2014.		
iii) In the event of liquidation of the Company, the equity share holder will be entitled to receive remaining assets of the Company after the distribution / repayments of all creditors. The distribution to the share holder will be in proportion of the number of shares held by each share holder.		
iv) The company declares and pays dividend in Indian Rupees. The companies Act, 1956 provides that any dividend be declared out of accumulated distributed profits only after transfer to general reserve of a special percentage of net profit computed in accordance with current regulations.		
(e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:		
There are no shareholders holding more than 5% of the aggregate shares in the company		
3 Reserves & Surplus		
(a) Securities Premium		
Balance as at beginning of the year	43,406,480	43,406,480
Balance as at end of the year	<u>43,406,480</u>	<u>43,406,480</u>
(b) General Reserve		
Balance as at beginning of the year	23,987,567	23,987,567
Balance as at end of the year	<u>23,987,567</u>	<u>23,987,567</u>
(c) Surplus in statement of Profit and Loss		
Balance as at beginning of the year	(162,122,016)	(145,340,195)
Add: Profit/(Loss) during the year	3,039,309	(16,781,821)
Balance as at end of the year	<u>(159,082,708)</u>	<u>(162,122,016)</u>
Total	<u>(91,688,661)</u>	<u>(94,727,969)</u>

VAPI ENTERPRISE LIMITED
(Formerly known as Vapi Paper Mills Limited)
NOTES TO FINANCIAL STATEMENTS

(AMT IN RS.)

PARTICULARS	AS AT MARCH 31, 2014	AS AT MARCH 31, 2013
4 Long Term Borrowings (Unsecured)		
Fixed Deposits		
From Others	-	1,475,000
From Related Parties	81,724,555	81,832,967
	<u>81,724,555</u>	<u>83,307,967</u>
4 (a) Disclosure regarding defaults in repayment of deposits:		
The principal as well as the interest on deposits accepted are payable on demand.		
During the year Rs. 5,83,412/- has been repaid to one related party		
5 Other Long Term Liabilities		
Trade Payables	3,109,647	3,291,266
Rent deposit from tenant	8,744,237	8,078,170
Advance from customers	117,692	128,389
Long term Borrowings from Others	5,475,000	3,625,000
Interest Accrued and Due	218,244	-
	<u>17,664,820</u>	<u>15,122,825</u>
6 Short-Term Borrowings (Unsecured)		
Unsecured Loan		
From Banks(Under personal gurantee of Manoj R.Patel-Director)	120,756	295,006
	<u>120,756</u>	<u>295,006</u>
7 Trade Payables		
Others("Others" includes dues to small and medium enterprises, [Refer note. 27(b)])	1,107,191	1,577,566
	<u>1,107,191</u>	<u>1,577,566</u>
8 Other Current Liabilities		
Trade Payables for Capital goods	1,238,042	1,508,115
Advance from Customers	30,590	122,031
Security Deposit	-	650,000
Statutory Dues	348,599	449,817
Interest Accrued and Due	312,365	328,109
Other Payables	93,159	117,893
	<u>2,022,755</u>	<u>3,175,965</u>
9 Short Term Provisions		
Provision for Employee Benefits	2,298,987	2,465,722
	<u>2,298,987</u>	<u>2,465,722</u>
11 Non Current Investments		
Non trade		
Investment in Trust Securities (Long Term at cost)		
Quoted		
Unit Trust of India		
10,000 Units of Rs. 10 each fully paid up	100,000	100,000
(Previous year 10,000 units of Rs. 10 each fully paid up)		
Investment in Shares (Long Term at Cost)		
UnQuoted		
The Zoroasterian Co-op Bank Ltd.		
4,000 Equity Shares of Rs 25 each fully paid up	100,000	100,000
(Previous year 4,000 Equity Shares of Rs 25 each fully paid up)		
	<u>200,000</u>	<u>200,000</u>
Aggregate Values		
1 Book Value of quoted investments	100,000	100,000
2 Market Value of quoted investments	252,200	252,200
3 Book Value of unquoted investments	100,000	100,000

VAPI ENTERPRISE LIMITED
(Formerly known as Vapi Paper Mills Limited)

Note No : 10 : FIXED ASSETS

(AMT IN RS.)

Sr No.	Description of Assets	Dep Rate Co. Act	GROSS BLOCK				DEPRECIATION				NET BLOCK	
			As at April 1, 2013	Additions During the year	Deductions During the year	As at March 31, 2014	As at April 1, 2013	For the Year	Deductions During the year	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
	TANGIBLE ASSETS											
1	Leasehold Land	0	379,998	-	-	379,998	-	-	-	-	379,998	379,998
2	Factory Building	10	10,881,097	-	-	10,881,097	9,079,525	180,157	-	9,259,682	1,621,415	1,801,572
3	Office & Godown	5	26,922,909	1,536,084	-	28,458,993	2,533,883	1,253,214	-	3,787,097	24,671,896	24,389,026
4	Plant & Machinery	5.28	4,215,859	-	-	4,215,859	4,168,030	37,947	-	4,205,977	9,882	47,829
6	Fur. & Fixtures	18.1	766,164	-	-	766,164	744,441	3,874	-	748,315	17,849	21,723
7	Office Equipments	13.91	1,535,856	-	-	1,535,856	1,491,103	10,169	-	1,501,272	34,584	44,753
	GRAND TOTAL		44,701,883	1,536,084	-	46,237,967	18,016,982	1,485,361	-	19,502,343	26,735,624	26,684,901
	PREVIOUS YEAR		42,828,416	3,058,895	1,185,428	44,701,883	17,632,528	1,489,367	1,104,912	18,016,982	26,684,901	

Notes:

- 1 Plant and machinery includes Electrical Installation, Fire Extinguisher, Laboratory and Testing Equipments.
- 2 Furniture and fixtures includes water cooler.
- 3 Office equipments includes computers.

VAPI ENTERPRISE LIMITED
(Formerly known as Vapi Paper Mills Limited)
NOTES TO FINANCIAL STATEMENTS

(AMT IN RS.)

PARTICULARS	AS AT MARCH 31, 2014	AS AT MARCH 31, 2013
12 Long Term Loans and Advances		
(Unsecured, Considered Good)		
Security Deposits	4,369,392	887,032
Advance recoverable in cash or in kind or for value to be received	63,804	182,659
	4,433,196	1,069,691
13 Inventories		
Stores Spare parts	-	10,226
	-	10,226
14 Trade Receivables		
(Unsecured considered good)		
Outstanding for a period exceeding six months from the date they are due for	2,320,676	2,965,952
Others	1,835,876	1,459,647
Less:Provision for bad and doubtful debts	(2,965,952)	(2,965,952)
	1,190,600	1,459,647
15 Cash and Bank Balances		
Cash and Cash Equivalent	187,758	180,805
Balance with Scheduled Banks - in Current account	38,367	132,794
	226,125	313,599
16 Short Term Loans & Advances		
(Unsecured considered good)		
Balance with statutory authority (Excise Modvat & Service tax) {Refer 16 (a)}	958,766	957,945
Taxes Paid (Net off Provisions)	1,943,411	2,001,551
Prepaid Expense	3,656	-
Loan to Staff	254,250	271,250
Advances Against Purchase of Capital Assets	5,664	20,000
Advance recoverable in cash or in kind or for value to be received	7,000	18,543
Capital Advances	106,611	1,024,228
	3,279,358	4,293,517

16 (a) The excise department has preferred an appeal against the company however the advance in PLA a/c is carried at the book value till conclusion of the assessment.

VAPI ENTERPRISE LIMITED
(Formerly known as Vapi Paper Mills Limited)
NOTES TO FINANCIAL STATEMENTS

PARTICULARS	(AMT IN RS.)	
	FOR THE YEAR ENDED ON MARCH 31, 2014	FOR THE YEAR ENDED ON MARCH 31, 2013
17 Other Income		
Rent Income	10,660,288	9,446,456
Interest Income	154,268	82,716
Dividend Income from Long Term Investment	22,271	22,000
	10,836,826	9,551,172
18 Employee Benefit Expense		
Salary, Allowances, Bonus	875,818	763,220
Gratuity Expenses	30,000	20,000
Contribution to Provident and other funds	33,496	32,698
Staff Welfare Expenses	36,464	37,522
	975,778	853,440
18 (a) The company is accounting the gratuity payable to the directors on payment basis.		
19 Financial Cost		
Interest on Deposits	491,331	472,001
	491,331	472,001
20 Other Expenses		
Stores and Spares Consumed	10,226	39,786
Water Charges and Electricity Expenses	860,797	892,024
Repairs to Others	683,121	72,722
Rates and Taxes and Fees	525,736	510,023
Auditor Remuneration:		
Statutory Audit Fees	39,326	39,326
Tax Audit Fees	28,090	28,090
Other Services	11,236	11,236
Legal and Consultancy Expenses	344,347	386,128
Security Expenses	107,634	267,180
Office Expense	201,898	133,381
Vehicle Expenses	250,961	188,550
Commission	273,000	125,000
Travelling Expenses	104,964	165,102
Interest on Others	23,985	56,848
Miscellaneous Expenses	255,507	199,148
Other Balances Written Off	195,805	13,594,465
Bad Debts written off	-	4,547,846
	4,127,172	21,484,576
21 Exceptional Items		
Capital Assets W/Off	-	80,516
Sundry Balances W/Off	-	1,953,093
Prior Period Expenses	498,174	-
	498,174	2,033,609

NOTES TO FINANCIAL STATEMENTS

- 22. Contingent Liabilities** Rs.34,82,360/- (Previous Year Rs. Nil)
- 23. Capital Commitment:**
 Estimated amount of contracts remaining to be executed on capital account is approximately Rs.1,06,611/- (Net of advances) (Previous Year Rs. 10,00,000)
- 24.** The company has discontinued manufacturing of paper and paper board. The company has started leasing its premises on rent. The Company's net worth is negative as on March 31, 2014. The management has made the net worth positive from out of the surplus that had been generated from present activities and also by bringing required funds to finance losses. Now having regard to these the accounts are prepared on going concern.
- 25.** In the opinion of the Board, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business, provision for depreciation and all known liabilities is adequate and not in excess of the amount reasonably necessary.
- 26.** a) Balance of Trade Payables, Trade Deposits, Advance from Customers, Trade Receivables, Non Current and Current Loans and Advances are subject to confirmation by the parties.
 b) There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days at the Balance Sheet date. The Micro, Small and Medium Enterprises have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
- 27.** The Company has setup Gratuity Fund for future payment of retirement gratuities of employees. The company has not ascertained the amount of accrued liability on the basis of actuarial valuation and has not made any contribution to gratuity fund.
- 28.** Disclosure for operating leases under Accounting Standard 19 – "Leases"
 (i) Disclosure in respect of the assets given on leave and license agreement under operating lease is as under:

SR No	Particulars	2013-2014	2012-2013
1.	Lease income recognized in the Statement of Profit and Loss for the year	Rs.10,660,288/-	Rs.94,46,456/-
2.	Future minimum receipt under the agreements, which are non cancellable are as follows:		
	i) Not later than one year	Rs. Nil	Rs. Nil
	ii) Later than one year and not later than five years	Rs. Nil	Rs. Nil

- 29.** Expenditure in foreign currency during the year on account of Travelling expenses Rs. Nil (Previous Year Rs Nil)

NOTES TO FINANCIAL STATEMENTS

30. CIF Value of Imports of Raw Materials and Capital goods Rs. Nil (Previous Year Rs. Nil)
31. Remittance in Foreign Currency on account of Dividend Rs. Nil (Previous Year Rs. Nil)
32. Earnings in foreign exchange and expenditure in foreign currency Rs. Nil (Previous Year Rs. Nil)
33. Related party disclosures:

I. LIST OF RELATED PARTIES:

A) Key Management Personnel:

- a) Shri Manoj R. Patel : Managing Director
- b) Shri Rajeev R. Patel : Whole time Director
- c) Smt. Laxmiben J. Patel : Director

B) Other Related Parties:

- a) M/s Polycone Paper Limited : Associate Company
- b) Laj Investments Private Limited : Associate Company

II. Transaction with related parties:

Sr. No.	Particulars	Key Management Personnel		Associate Companies	
		2013-14	2012-13	2013-14	2012-13
A.	Transaction during the year				
I	Remuneration	4,80,000	3,00,000	NIL	NIL
II	Loan Taken	15,75,000	2,480,000	NIL	56,388
III	Loan repaid	16,83,412	36,35,420	NIL	NIL
IV	Interest	NIL	NIL	NIL	NIL
B	Outstanding balances at the year end:				
I	Loan	7,69,76,479	77,084,891	4,748,076	4,748,076
II	Remuneration	21,42,240	21,42,240	NIL	NIL

34. In view of the uncertainty of availment of tax benefit on accumulated business losses and unabsorbed depreciation, the company has not considered any deferred tax assets as required to be disclosed under Accounting Standard 22 "Accounting for Taxes on Income"

35. Earnings per Share

Particulars	2013-14	2012-13
Profit / (Loss) in Rupees	30,39,309	(1,67,81,821)
Weighted average number of equity shares outstanding	22,81,450	22,81,450
Basic and diluted Profit / (Loss) per share in Rupees	1.33	(7.36)

NOTES TO FINANCIAL STATEMENTS

- 36.** Company has closed down engineering division during the year 2011-12. However, the required information as per Accounting Standard – 24 has not been disclosed.
- 37.** Previous years figures have been regrouped and or rearranged whenever necessary.

The notes are integral part of these financial statements.

As per our Audit Report of even date attached

For VAPI ENTERPRISE LIMITED

For Chirag N Shah & Associates,
Chartered Accountants
Registration No: 118215W

Sd/-
Hetal Shah
Partner
Membership No: 111610

Sd/-	Sd/-
Manoj R. Patel	Rajeev R. Patel
Director	Director
DIN : 00485197	DIN : 00510532

Mumbai
Date: 31st May, 2014

Mumbai
Date: 31st May, 2014