



Axel Polymers Limited

Regd. Office & Works : 309, Mokshi, Sankarda-Savli Road, Tal. Savli,
Dist. Vadodara - 391780, India. • Telefax : +91-2667-244395, 244438
info@axelindia.com • www.axelindia.com • CIN : L 25200GJ1992PLC017678

02.10.2017

To,
Dy. Manager (Dept. of Corporate Services)
Bombay Stock Exchange Ltd.
14th Floor, P.J. Towers
Dalal Street, Mumbai 400001

Sub: Submission of Annual Report for the year 2016-17 under Regulation 34(1) of SEBI(LODR), 2015

Dear Sir,

In compliance of Regulation 34(1) of SEBI (LODR), 2015, Please find uploaded herewith the following.

ANNUAL REPORT FOR THE YEAR 2016-17

Kindly take the same on record and consider as Compliance under Regulation 34(1) of SEBI (LODR), 2015

Thanking You,

For Axel Polymers Limited


Shailesh Bharvad
Company Secretary



Encl: Annual Report 2016-17



Creating Tomorrow

25th

ANNUAL REPORT

2016-2017

Axel Polymers Limited

ISO 9001:2008

BOARD OF DIRECTORS

| | |
|--------------------------|--|
| Mr. B.K.Bodhanwala | Chairman |
| Mr. A.B.Bodhanwala | Managing Director |
| Mr. Gaurav Thanky | Director & CFO |
| Dr. (Mrs) M.A.Bodhanwala | Director (Women Non Executive) |
| Mr. Amitabh Thakore | Director (Independent - Non Executive) |
| Mr. Prashant Walvekar | Director (Independent - Non-Executive) |
| | |
| Mr. Shailesh Bharvad | Company Secretary |

AUDITORS

SHAH & BHANDARI
Chartered Accountants

SECRETARIAL AUDITORS & COMPANY LAW ADVISOR

Devesh Vimal & Co.
Company Secretaries

REGISTRARS

LINK INTIME INDIA PVT LTD
B 102 & 103, Shangrila Complex, 1st Floor,
Opp. HDFC Bank, Nr. Radhakrishna Char Rasta,
Akota, Vadodara 390 020

BANKERS

BANK OF BARODA

REGISTERED OFFICE & WORKS

309, MOKSHI, SANKARDA - SAVLI ROAD
TALUKA SAVLI, DIST. VADODARA 391780
GUJARAT INDIA
Telefax: +91 2667 244395
Website: www.axelindia.com

COMPANY IDENTIFICATION NO.

L25200GJ1992PLC017678

Notice

NOTICE is hereby given that the **25th Annual General Meeting** of the Members of the Axel Polymers Limited will be held on Thursday, 14th September 2017 at the Registered Office of the Company at S-309, Mokshi, Sankarda-Savli Road, Tal. Savli, Dist, Vadodara -391780 Gujarat. at 9.00 a.m. to transact the following Business.

1. To receive, consider and adopt the Audited Financial Statements for the year ended on 31.03.2017 together with the Reports of the Auditors' and Board's thereon.
2. To appoint a Director in place of Mr. B.K. Bodhanwala, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s Mukund & Rohit, Chartered Accountants, as Statutory Auditors of the Company for a period of 5 years from the conclusion of 25th Annual General Meeting till the conclusion of 30th Annual General Meeting of the Company, subject to ratification by the members at every intervening Annual General Meeting held after 25th Annual General Meeting and to fix their Remuneration.

SPECIAL BUSINESS:

4. Alteration of Share Capital by way of increase in Authorised Share Capital

To consider and, if thought fit, to pass the following resolutions as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 61(1)(a) and 64(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or reenactment thereof for the time being in force), and Article 3 and 4 of the Articles of Association of the Company, the authorized share capital of the Company be and is hereby increased from the existing Rs. 5,00,00,000/- (Rupees Five Crores only) divided into 50,00,000 (Fifty Lacs) equity shares of Rs.10/- each to Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (one Crore Fifty Lacs) equity shares of Rs.10/- each by creating additional 1,00,00,000 (One Crore) equity shares of Rs.10/- each which shall rank pari passu with the existing equity shares in all respects with the power to issue the new Shares upon such terms and conditions and with such rights and privileges attached thereto as the Board shall determine from time to time.

"RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association, be and is, hereby altered to read as follows:

V. The Authorized Share Capital of the Company is Rs.15,00,00, 000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lacs) Equity Shares of Rs. 10/- each."

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is, hereby authorised to do all the acts, deeds and things as may necessary to give effect to this Resolution."

5. Appointment of and Remuneration payable to Mr. Gaurav S. Thanky (DIN:02565340) as a Managing Director. To Consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT the approval, be and is, hereby accorded to the appointment of Mr. Gaurav S. Thanky (DIN:02565340) as Managing Director for a term of three years with effect from 1st October, 2017 upto 30th September, 2020 pursuant to Section 196, 197 and 203 read with Schedule V of the Companies Act, 2013, at a remuneration of Rs.2,00,000/- (Rupees Two Lac only) per month and other perquisites and on such other terms and conditions as set out in the draft Agreement, to be entered into by the Company with Mr. Gaurav S. Thanky as recommended by Nomination and Remuneration Committee and approved by the Board of Directors at their respective meeting held on 05.08.2017.

RESOLVED FURTHER THAT the Board of Directors will have liberty to alter and/or vary the terms and conditions of the appointment, including the terms of his remuneration, which shall not exceed the limits specified in Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, as may be agreed to between the Board of Directors and Mr. Gaurav S. Thanky.

RESOLVED FURTHER THAT in case of no profit or inadequacy of profits in any financial year during the currency of his tenure, the remuneration as aforesaid will be paid as minimum remuneration.”

6. Appointment of and Remuneration payable to Mr. A.B. Bodhanwala (DIN:00421362) as Director & CFO. To Consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT the approval, be and is, hereby accorded to the appointment of Mr. A.B. Bodhanwala as Director & CFO for a term of three years with effect from 1st October, 2017 upto 30th September, 2020 pursuant to Section 196, 197 and 203 read with Schedule V of the Companies Act, 2013, at a remuneration of Rs.1,75, 000/- (Rupees One Lac Seventy Five Thousand only) per month and other perquisites and on such other terms and conditions as set out in the draft Agreement, to be entered into by the Company with Mr. A.B. Bodhanwala as recommended by Nomination and Remuneration Committee and approved by the Board of Directors at their respective meeting held on 05.08.2017.

RESOLVED FURTHER THAT the Board of Directors will have liberty to alter and/or vary the terms and conditions of the appointment, including the terms of his remuneration, which shall not exceed the limits specified in Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, as may be agreed to between the Board of Directors and Mr. A.B. Bodhanwala.

RESOLVED FURTHER THAT in case of no profit or inadequacy of profits in any financial year during the currency of his tenure, the remuneration as aforesaid will be paid as minimum remuneration.”

7. Approval to Related Party Transactions

To consider and if thought fit to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules 6A and 15 of the Companies (Meetings of Board and its powers) Rules, 2014 and other Rules applicable, if any, (including any statutory modifications or re- enactment thereof, for the time being in force) and subject to Regulation 23 and other regulations, applicable if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 consent of the members be and is hereby accorded to the Board of Directors to enter into an agreement with several related parties as mentioned in the explanatory statement of the notice for purchase / sale of goods and services.”

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give effect to this resolution.

For and on behalf of Board of
Axel Polymers Limited

sd/-

B. K. Bodhanwala

Chairman

DIN: 00421717

Date : 05-08-2017

Place: Mokshi

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY (IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS APROXY, PROVIDED THAT SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER.

THE PROXY FORM DULY COMPLETED SHOULD BE LODGED WITH THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTYEIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 ('the Act') are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
3. The Explanatory Statement pursuant to Section 102 of the Act, relating to the Special Business enumerated under Item No. 4 to 7 of the accompanying Notice is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 08.09.2017 to 14.09.2017(both days inclusive).
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
7. Members whose shareholding is in electronic mode are requested to notify immediately any change in their address and updates on bank account details if any, to the respective depository participants.
8. The Company is concerned with the environment and utilizes natural resources in a sustainable way. In order, to enable us to send you the communications via email in lieu of physical mode, kindly update your e-mail ID with:
 - (i) Our RTA: for the Shares held in physical form and
 - (ii) Your respective Depository Participants: For the shares held in dematerialized form.
9. Members who have not yet dematerialized their shares, are recommended to get their shares dematerialized at the earliest.
10. Members desiring to seek information pertaining to the Financial Statements and operations of the Company are requested to address the Company Secretary of the Company so as to reach the Company at least seven days before the date of the Annual General Meeting to enable the Company to make the information sought available to the best extent possible.
11. **E-Voting:**

Pursuant to Section 108 of the Act read with the relevant Rules of the Act and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide E-voting facility through Central Depository Services Limited as an alternative, for all members of the Company to enable them to cast their votes electronically on the resolutions mentioned in the notice of Annual General Meeting of the Company scheduled to be held on 14.09.2017('the AGM Notice'). The Company has appointed Mr. Devesh A. Pathak, Practicing Company Secretary or falling him Mr. Vimal N. Betai, Practicing Company Secretary as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional. The E-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on 07.09.2017. The e-voting will commence at 9.00 a.m. on 11.09.2017_ and will end at 5.00 p.m. on 13.09.2017. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

PROCEDURE FOR E- VOTING

A. Instructions for Demat folios:

In case a Member receives e-mail from CDSL (for Members whose e-mail addresses are registered with the Company/Depositories):

- (I) Log on to the e-voting website www.evotingindia.com
- (II) Click on "Shareholders" tab.
- (III) Now, select the "AXEL POLYMERS LIMITED" from the drop down menu and click on "SUBMIT"

- (IV) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (V) Next enter the Image Verification as displayed and Click on Login.
- (VI) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (VII) If you are a first time user, follow the steps given below:

| | |
|-----------------------------------|---|
| | For members holding shares in Demat Form |
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department and registered with the DP/RTA. In respect of physical shareholding as well as those holding shares in Demat form and have not provided or whose PAN is not registered, enter your unique PAN/Default Value No. printed on the bottom of Attendance slip additionally attached herewith for your ready reference. |
| DOB/Dividend Bank Details* | Enter the date of birth as registered with the DP/RTA in dd/mm/yyyy format or Enter the dividend bank detail as recorded with your DP/RTA. In respect of Physical shareholding and whose DOB and Dividend bank details are not registered with DP/RTA those can enter member id/Folio No. of shares held by you as on the cutoff date i.e.07.09.2017 |

*Any one of the details DOB or Dividend bank details should be entered for logging in to the account.

- (VIII) After entering these details appropriately, click on “SUBMIT” tab.
- (IX) Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in Demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (X) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (XI) Click on the (EVSN) for the relevant “AXEL POLYMERS LIMITED” on which you choose to vote.
- (XII) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (XIII) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (XIV) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (XV) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (XVI) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (XVII) If Demat account holder has forgotten the changed password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(XVIII) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts; they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

B. In case of members receiving the physical copy:

- (a) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (b) The voting period will begin at 9.00 a.m. on 11.09.2017 and will end at 5.00 p.m. on 13.09.2017. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 07.09.2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (c) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

C. Other Instructions:

- i. The e-voting period will commence at 9.00 a.m. on 11.09.2017 and will end at 5.00 p.m. on 13.09.2017. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 07.09.2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 07.09.2017.
- iii. Mr. Devesh A Pathak, Practicing Company Secretary (Membership No. FCS 4559) or falling him Mr. Vimal N. Betai, Practicing Company Secretary (Membership No. ACS 26007) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the physical ballots received from members who do not have access to the e-voting process at the Annual General Meeting) in a fair and transparent manner.

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot at the meeting. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid

- iv. The Scrutinizer shall, within a period not exceeding two working days from the conclusion of the meeting, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

- v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.axelindia.com and on the website of CDSL www.evoting.cdsl.com within two days of the passing of the resolutions at the AGM of the Company on 14.09.2017 and communicated to the stock exchanges, where the shares of the Company is listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No 4

Alteration of Share Capital by way of increase in the Authorised Share Capital.

The Authorized Share Capital of your Company is presently Rs.5,00,00,000/- divided into 50,00,000 Equity Shares of Rs.10/- each. In order to meet the requirement of long term capital fund, the Company may issue shares in future. It is, therefore, considered appropriate to increase the Authorized Share Capital of the Company from existing Rs.5,00,00,000/- to Rs.15,00,00,000/- by creation of 1,00,00,000 Equity Shares of Rs.10/- each.

Further, consequent upon the increase in the authorized share capital, the Capital Clause of the Memorandum of Association of the Company is required to be suitably altered as set out at item No. 4 of the accompanying Notice. Accordingly, pursuant to the provisions of Section 61 read with Section 13 of the Companies Act, 2013, the approval of the members is sought by way of Ordinary Resolution to the increase in the Authorized Share Capital and consequential alteration of the Capital Clause of the Memorandum of Association of the Company.

Draft copy of amended Memorandum is available at the Registered Office of the Company and will remain available for inspection during the office hours on any working day, except Saturdays & Sundays, between 10.00 a.m. to 5.00 p.m. upto the conclusion of the 25th Annual General Meeting.

The Board of Directors recommends the Resolutions at Item No. 4 of the accompanying Notice for the approval of the Members of the Company as Ordinary Resolution.

Neither Directors /Managerial Personnel of the Company nor their relatives shall be deemed to be concerned or interested, financially or otherwise in the passing of the Resolution.

Item No. 5

Appointment of and Remuneration payable to Mr. Gaurav S. Thanky (DIN:02565340) as a Managing Director

Considering valuable contributions as well as responsibilities shouldered by Mr. Gaurav S. Thanky as a Director since 2014, your Directors at their Meeting held on 05.08.2017 have approved the appointment of Mr. Gaurav S. Thanky as a Managing Director with effect from 1st October, 2017 for a period of three years ending on 30th September, 2020 in accordance with provisions of Section 196, 197 & 203 read with Schedule V of the Companies Act, 2013, as approved by Nomination & Remuneration Committee.

Details of major terms & conditions of appointment are as follows:

- (A) Basic Salary : Rs. 2,00,000/- (Rupees Two Lacs only) Per month
(B) Perquisite : As Below

PART – A

- **EXPENSES:** Reimbursement of expenses on Gas, Electricity, Water, house furnishing etc. will be paid at actuals.
- **MEDICAL REIMBURSEMENT:** Reimbursement of Medical Expenses actually incurred for self and family and Medical Premium for the health of self and family.
- **EDUCATIONAL EXPENSES:** Reimbursement of School / College Fees and Travelling expenses from place of study to Home which is actually incurred. This shall be limited to 2 children only
- **LEAVE TRAVEL CONCESSION:** For self and family to and from any place in India or abroad, once in a year in accordance with the rules of the Company.

- CLUB FEES: Fee paid to Club, subject to a maximum of two clubs will be allowed, provided no admission or life membership fees shall not be paid.
- PERSONAL ACCIDENT INSURANCE: Personal Accidental premium for self.
- WATCHMAN ETC: Free service of a sweeper, Gardener and a Watchman at the residence of the appointee.

However, aggregate monetary value of aforesaid perquisites in this part shall not exceed Rs. 24/- Lacs per annum.

PART – B

- Company's contribution towards Provident Fund subject to a ceiling of 12% of the Basic Salary as mentioned above, and Company's contribution towards superannuation fund, if any, subject to a ceiling of 15% of the Gross Salary to the extent non taxable under the Income Tax Act, 1961.
- Gratuity: Payable at a rate not exceeding one half month's salary for each completed year of service as per rules of the Company.
- Leave: On full pay and allowances as per rules of the Company, but not more than one month's leave for every eleven months of services. Leave not availed of shall be allowed to be carried forward and to be encashed at the end of the tenure.

PART – C

- Car : Free use of Company's car with driver for Company's business.
- Telephone : Free telephone facility at residence and cell phone.
- Entertainment Expenses : Reimbursement of entertainment expenses actually incurred.

Minimum Remuneration:

Notwithstanding anything contained, wherein in any financial year, during the currency of the tenure of Mr. Gaurav S. Thanky as Managing Director of the Company, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above.

Memorandum of interest: None of the Directors/Key Managerial Personnel of the Company and their relatives except Mr. Gaurav Thanky, Director and his relatives, shall be deemed to be concerned or interested, in the resolution.

Other terms and conditions:

- a. In the event of absence or inadequacy of profits in any financial year during the tenure of the Chairman, aforesaid salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.
- b. "Family" means the spouse and dependent children of Mr. Gaurav S. Thanky
- c. Leave with full pay and allowances shall be allowed as per the Company's rules.
- d. Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.
- e. No sitting fees shall be paid to the Managing Director for attending the meetings of the Board of Directors or Committees thereof.
- f. The Managing Director shall not be liable to retire by rotation.
- g. The perquisites as listed in Part (A) above shall be valued as per the Income Tax Rules, 1962, as may be applicable. All other existing terms and conditions for the appointment shall remain unchanged.

Item No. 6

Appointment of and Remuneration payable to Mr. A.B. Bodhanwala (DIN: 00421362) as a Director and CFO

Considering valuable contributions as well as responsibilities shouldered by Mr. A.B. Bodhanwala as a Director since 1993, your Directors at their Meeting held on 05.08.2017 have approved the appointment of Mr. A.B. Bodhanwala as a Director & CFO with effect from 1st October, 2017 for a period of three years ending on 30th September, 2020 in accordance with provisions of Section 196, 197 & 203 read with Schedule V of the Companies Act, 2013, as approved by Nomination & Remuneration Committee.

Details of major terms & conditions of appointment are as follows:

(A) Basic Salary : Rs. 1,75,000/- (Rupees One Lac Seventy-Five Thousand Only) Per month

(B) Perquisite : As Below

PART – A

- EXPENSES: Reimbursement of expenses on Gas, Electricity, Water, house furnishing etc. will be paid at actuals.
- MEDICAL REIMBURSEMENT: Reimbursement of Medical Expenses actually incurred for self and family and Medical Premium for the health of self and family.
- EDUCATIONAL EXPENSES: Reimbursement of School / College Fees and Travelling expenses from place of study to Home which is actually incurred. This shall be limited to 2 children only
- LEAVE TRAVEL CONCESSION: For self and family to and from any place in India or abroad, once in a year in accordance with the rules of the Company.
- CLUB FEES: Fee paid to Club, subject to a maximum of two clubs will be allowed, provided no admission or life membership fees shall not be paid.
- PERSONAL ACCIDENT INSURANCE: Personal Accidental premium for self.
- WATCHMAN ETC: Free service of a sweeper, Gardener and a Watchman at the residence of the appointee.

However, aggregate monetary value of aforesaid perquisites in this part shall not exceed Rs. 21/- Lacs per annum.

PART – B

- Company's contribution towards Provident Fund subject to a ceiling of 12% of the Basic Salary as mentioned above, and Company's contribution towards superannuation fund, if any, subject to a ceiling of 15% of the Gross Salary to the extent non taxable under the Income Tax Act, 1961.
- Gratuity: Payable at a rate not exceeding one half month's salary for each completed year of service as per rules of the Company.
- Leave: On full pay and allowances as per rules of the Company, but not more than one month's leave for every eleven months of services. Leave not availed of shall be allowed to be carried forward and to be encashed at the end of the tenure.

PART – C

- Car : Free use of Company's car with driver for Company's business.
- Telephone : Free telephone facility at residence and cell phone.
- Entertainment Expenses : Reimbursement of entertainment expenses actually incurred.

Minimum Remuneration:

Notwithstanding anything contained, wherein in any financial year, during the currency of the tenure of Mr. A.B. Bodhanwala as Director & CFO of the Company, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above.

Memorandum of interest: None of the Directors/Key Managerial Personnel of the Company and their relatives except Mr. B.K. Bodhanwala and Dr. (Mrs). M.A. Bodhanwala, Directors and his relatives, shall be deemed to be concerned or interested, in the resolution.

Other terms and conditions:

- a. In the event of absence or inadequacy of profits in any financial year during the tenure of the Chairman, aforesaid salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.
- b. "Family" means the spouse and dependent children of Mr. A.B. Bodhanwala
- c. Leave with full pay and allowances shall be allowed as per the Company's rules.
- d. Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.
- e. No sitting fees shall be paid to the Managing Director for attending the meetings of the Board of Directors or Committees thereof.
- f. The Director shall be liable to retire by rotation.
- g. The perquisites as listed in Part (A) above shall be valued as per the Income Tax Rules, 1962, as may be applicable. All other existing terms and conditions for the appointment shall remain unchanged.

Statement in compliance with Section II of Part II of Schedule V to the Companies Act, 2013

GENERAL INFORMATION:

- (1) Nature of Industry : Compounding of Engineering Polymers
- (2) Date or expected date of Commencement of Commercial Production: Already Commenced
- (3) In case of new Companies, expected date of commencement : N. A.
of activities as per project approved by financial institution appearing in the prospectus.
- (4) Financial performance based on given indicators
 - (a) Net Profit/(Loss) : Rs. 20.06/- Lacs
 - (b) Effective Capital : Rs. 184.20/- Lacs
 - (c) Total Income : Rs. 2221.52/- Lacs
- (5) Export performance and net foreign exchange collaboration : Nil
- (6) Foreign Investments or collaborations, if any : N.A.
appearing in the prospectus.

INFORMATION ABOUT THE APPOINTEE PURSUANT TO REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

| | | | |
|--|---|----------------------------------|--|
| Name of the Director | Mr. Bejan Bodhanwala | Mr. Gaurav S. Thanky | Mr. A.B.Bodhanwala |
| Designation | Executive Chairman | Managing Director | Director & CFO |
| DIN | 00421717 | 02565340 | 00421362 |
| Age | 89 years | 43 years | 57 years |
| Date of Birth | 20.05.1928 | 15.01.1974 | 19.06.1960 |
| Date of Appointment | 21.05.1992 | 01.06.2014* | 01.03.1993* |
| Qualification | B.Com | Engineer | Chartered Accountant |
| Expertise | Management | Production & Product Development | Finance |
| Directorship/Membership of Committee of the Board of the Listed Companies in which he/she is a Director as on 31.03.2017 | N.A | N.A. | N.A. |
| Shareholding in the Company as on 31.03.2017 | 400 | 223867 | 129800 |
| Relationship with any Director(s) of the Company | He is related to Mr. A.B. Bodhanwala and Dr. (Mrs.) M.A. Bodhanwala | N.A. | He is related to Mr. B. K. Bodhanwala and Dr. (Mrs.) M.A. Bodhanwala |

*Date of Appointment as a Director

Item No. 7

Approval to Related Party Transactions

In terms of Section 188(1) of the Companies Act, 2013 read with Rules 6A and 15 of the Companies (Meetings of Board and its powers) Rules, 2014 and other Rules, applicable, if any and Regulation 23 and other regulations, if any, of SEBI (Listing Obligations and Disclosure Requirements), 2015 any transaction entered into between related parties for sale, purchase or supply of any goods or materials, availing or rendering of any services exceeding 10% of the turnover as per latest audited financial results require approval of the members of the Company by way of an Ordinary Resolution.

Since, transactions of the Company with related parties viz. Dhara Petrochemicals Private Limited and VR Industries are likely to be in excess of 10% of the turnover of the audited financial results, the Board recommends your approval by way of an Ordinary Resolution.

Particulars of the transactions; which are proposed to be entered into by the Company are provided herein below

| Sr. No. | Name of the Related Party | Name of the Director/ KMP who is related and nature of relationship | Nature, material terms and particulars of contract or arrangement | Amounts (RS.) |
|---------|-------------------------------|---|--|---------------------------------------|
| 1 | Dhara Petrochemicals Pvt. Ltd | Mr. Gaurav Thanky Director/KMP of the Company is a Director and a member of the related party | Purchase of Various types of Plastic resin, Additives, etc Sale of Compounds PPE/PBT/NYLON & Others Contract for 3 Years | Not exceeding Rs. 50 Crores per annum |
| 2 | V R Industries | Mr. Gaurav Thanky Director/KMP of the Company is a Partner of the related party | Purchase of Various types of Plastic resin Sale of Compounds PPE/PBT/NYLON & Others Contract for 3 Years | Not exceeding Rs. 50 Crores per annum |

Neither Directors /Managerial Personnel of the Company nor their relatives shall be deemed to be concerned or interested, financially or otherwise except the concerned director for particular transactions with respective related party. The Board of Directors recommends the proposed resolution for acceptance by member.

For and on behalf of Board of
Axel Polymers Limited

sd/-
B. K. Bodhanwala
Chairman
DIN:00421717

Date : 05-08-2017
Place : Vadodara

AXEL POLYMERS LIMITED
CIN: L25200GJ1992PLC017678

Registered office : 309, Mokshi, Sankarda- Savli Road, Tal Savli, Dist Vadodara
Telephone no.: 02667-244395 • **Email address :** cs@axelindia.com

ATTENDANCE SLIP

| Shareholder/ Proxy Holder | DP ID | Client ID | Folio No. | No. of Shares held |
|------------------------------|-------|-----------|-----------|-----------------------|
| | | | | |

Annual General Meeting- 2017

At Regd. Off.: 309, Mokshi, Sankarda- Savli Road, Tal. Savli, Dist Vadodara. Gujarat.

I hereby record my presence at the 25th Annual General Meeting of the Company held at Registered office of the Company on Thursday, 14th September, 2017 at 09.00 a.m.

Name of the Shareholder _____
(In Capital Letters)

Members'/Proxy Signature

- Notes:**
1. Please bring this attendance slip to the meeting and hand over it at the entrance duly filled.
 2. Members are requested to bring copy of Annual Report with them.
-

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Board's Report of your Company together with the Financial Statements for the financial year ended on 31.03.2017.

1. FINANCIAL & OPERATIONAL RESULTS

The Summary of the financial performance of the Company for the year ended 31.03.2017 compared to the previous year is as below:

(Rs. Lakhs)

| Particulars | 2016-17 | 2015-16 |
|---|----------|----------|
| Revenue from operations | 2194.15 | 1853.05 |
| Other Income | 27.37 | 8.02 |
| Total Income | 2221.52 | 1861.07 |
| Profit/(Loss) before Depreciation and Tax | 45.36 | 39.90 |
| (Less): Depreciation | (21.30) | (24.63) |
| Profit/(Loss) before Tax | 24.06 | 15.27 |
| Add/(Less): Tax Expenses | | |
| i. Current Tax | 3.99 | NIL |
| ii. Deferred Tax | NIL | NIL |
| Net Profit/(Loss) for the year | 20.06 | 15.27 |
| Add/(Less): Balance Brought Forward | (354.03) | (369.30) |
| Add/(Less): Capital Investment Subsidy | 25.00 | 25.00 |
| Balance carried forward to Balance Sheet | (308.96) | (329.02) |

During the year under review, total revenue of Rs. 2221.52 Lacs as against Rs. 1861.07 lacs in the previous year exhibits a growth of about 19.50 %. Net profit of Rs. 20.06/- Lacs as against Rs. 15.27/- Lacs in the previous year also exhibits a growth of about 31 %; which can be mainly attributed to increase in total revenue.

2. DIVIDEND

By keeping in view the carry forward losses of the Company, your Directors do not recommend any dividend.

3. INFORMATION ABOUT SUBSIDIARY/JV/ASSOCIATE COMPANY

Neither the Company has any Subsidiary, Joint Venture or Associate Company nor any other Company has become or ceased to be Subsidiary/Joint Venture/ Associate Company.

4. TRANSFER OF AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend, the Company was not required to transfer any amount to Investor Education & Protection Fund during the year under review.

5. MATERIAL CHANGES AND COMMITMENTS

No Material changes and Commitments affecting the financial position of the Company have occurred between the end of financial year to which this financial statement relates and the date of this report and hence not reported.

6. EXTRACT OF THE ANNUAL RETURN U/S 92(3) OF THE ACT AS PER FORM MGT-9

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 in Form MGT-9 is annexed herewith for your kind perusal and information as per **Annexure-1**.

7. MEETING OF THE BOARD OF DIRECTORS DURING THE YEAR AND APPOINTMENT/ CESSATION OF DIRECTORS OR KMP

During the Financial Year 2016-17, five meetings of the Board of Directors of the Company were held. In terms of section 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), Mr. B.K. Bodhanwala retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

The Board recommends re-appointment of Mr. B.K. Bodhanwala, who in opinion of the Board fulfills the conditions for reappointment specified in the Act and rules made thereunder

8. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- (a) In the preparation of the annual accounts for the year ended on 31st March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year 2016-2017 and of the profit of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. AUDITORS

A. STATUTORY AUDITORS

M/s. Shah & Bhandari, Chartered Accountants, Vadodara retires at the ensuing Annual general Meeting pursuant to Sec 139 of the Act, read with Rule 6 (2) of the Companies (Audit & Auditors) 2014. In line with the recommendations made by the Audit Committee, the Board of Directors have recommended appointment of M/S Mukund & Rohit, Chartered Accountants as Auditors in place of M/S Shah & Bhandari, Chartered Accountants, retiring Auditors, to the members at forthcoming Annual General Meeting. They have furnished their consent & requisite certificate pursuant to the Act in respect of their proposed appointment.

B. SECRETARIAL AUDITORS

M/s. Devesh Vimal & Co., Company Secretaries, Vadodara were appointed as Secretarial Auditors for conducting secretarial audit for the Financial Year 2016-17 and the report is annexed herewith for your kind perusal and information as per Annexure-2

Neither the Statutory Auditors nor the Secretarial Auditors of the Company, in their respective reports have made any qualifications, reservations, adverse remarks or

disclaimers. Accordingly, no explanations/ comments thereon are required to be furnished.

10. LOANS, GUARANTEES OR INVESTMENTS

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

However, the aggregate of loans and advances granted as also investments made, if any, are within the limits of section 186 of the Act.

11. RELATED PARTY TRANSACTIONS

The particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Act in the prescribed Form AOC-2 is enclosed as per **Annexure – 3**.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The particulars as prescribed in section 134(3)(m) of the Companies act 2013 read with the Companies (Accounts) Rules 2014, are as follows.

(A) Conservation of Energy

- (i) steps taken or impact on conservation of energy:- NIL
- (ii) steps taken by the Company for utilizing alternate sources of energy:- NIL
- (iii) capital investment on energy conservation equipments:- NIL

| | | | |
|---------------------------------------|--------------------------------------|----------|----------|
| Power & Fuel Consumption- Electricity | | 2016-17 | 2015-16 |
| Consumed | Quantity units | 1178915 | 1216260 |
| | Amount Rs.(in Lacs) | 83.51/- | 88.75/- |
| | Rate/Unit Rs. | 7.08 | 7.30 |
| Production | Quantity M.T | 3418.571 | 3875.824 |
| | Total Power Cost Rs. (in Lacs) | 83.51/- | 88.75/- |
| | Power Cost Per Kg. of Production Rs. | 2.44/- | 2.29/- |

(B) Technology Absorption

The Company continues to lay emphasis on development and innovation of in-house technology and technical skill to meet customer requirements. Efforts are also continuing for improving productivity and quality of products and continue to keep pace with the advances in technological innovations and up-gradation.

(C) Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings or outgo during the year under review.

13. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

Risk affects every organization by one way or other. Thus planning to handle such risk in future is of vital importance for every organization. Your Company always focuses on identifying and monitoring the risk and to take precautionary steps for risks affecting to your Company. There are certain risks like Price Risk, Government Policies, Human Resource, Competition etc. and have planned to manage such risk by adopting best management practices.

14. KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel of the Company

1. Mr. Aarasp Bejan Bodhanwala : Managing Director
2. Mr. Bejan Kavasji Bodhanwala : Chairman & Whole- time Director
3. Mr. Gaurav Surendrakumar Thanky : Director & Chief Financial Officer
4. Mr. Shailesh Bharvad : Company Secretary

15. DEPOSITS

The Company has not accepted / renewed any deposit within the meaning of the Companies (Acceptance of Deposits) Rules, 2014.

16. CORPORATE SOCIAL RESPONSIBILITY

The Company does not fall in any of the criteria of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and hence the Company is not required to comply with the same.

17. PARTICULARS OF EMPLOYEES

There was no employee drawing remuneration of Rs 1.02 crores or more per annum or Rs. 8.50 lacs per month for any part of the year or more and hence no particulars have been furnished as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

18. DISCLOSURE UNDER THE SEXUAL HARASSEMMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The summary of sexual harassment complaints received and disposed off during the financial year 2016-2017 is as under:

- Number of Complaints Received : NIL
- Number of Complaints Disposed off : NIL

19. ANNUAL EVALUATION

Pursuant to the Section 134(3)(p) and other applicable provisions, if any, of the Act and Regulation 17(10) and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Nomination and Remuneration Committee.

20. CORPORATE GOVERNANCE REPORT

In view of Paid up Capital and Net worth of the Company being lesser than Rs. 10 Crores and Rs. 25 Crores respectively, Corporate Governance Report as prescribed in Clause C of schedule V to LODR is not included in the Annual Report in terms of Regulations 15(2) of LODR.

21. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report as stipulated under Para B of Schedule V of LODR is attached as Annexure-4.

22. DECLARATION BY INDEPENDENT DIRECTORS

Mr. Amitabh Thakore and Mr. Prashant Walvekar were the Independent Directors of the Company as on 31st March 2017 pursuant to the provisions of Section 149(10) of the Act.

The Board of Directors of the Company hereby confirms that all the Independent Directors duly

appointed by the Company have given the declaration and they meet the criteria of Independence as provided under Section 149(6) of the Act.

23. COMMITTEE COMPOSITION

AUDIT COMMITTEE

The Composition of the Audit Committee is in line with the provisions of Section 177 of the Act read with Regulation 18 of LODR. The Committee comprises of Independent Directors with Mr. A.G. Thakore as Chairman and Mr. Prashant Walvekar as Member as well as Non-Executive Director, Mrs. M.A. Bodhanwala as Member

The Audit Committee met four times during the period under review.

NOMINATION AND REMUNERATION COMMITTEE

The Composition of the Nomination and Remuneration Committee is in line with the provisions of Section 178 of the Act read with Regulation 19 of LODR. The Committee comprises of Independent Directors with Mr. A.G. Thakore as Chairman and Mr. Prashant Walvekar as Member as well as Non-Executive Director, Mrs. M.A. Bodhanwala as Member.

The Nomination and Remuneration Committee met two times during the period under review.

REMUNERATION POLICY

Remuneration to Executive Directors

The Executive Directors are paid annual Remuneration as under.

| | | |
|---------------------|--------------------------------|-----------------|
| Mr. A.B. Bodhanwala | Managing Director | Rs. 15,00,000/- |
| Mr. B.K. Bodhanwala | Chairman & Whole-Time Director | Rs. 3,00,000/- |
| Mr. G.S. Thanky | Director & CFO | Rs. 12,00,000/- |

Remuneration to Non-Executive Directors

The Other Non-Executive Directors are not paid any Remuneration.

INVESTOR GRIEVANCES COMMITTEE

The Investor Grievances Committee has been constituted and functioning. Mr. B.K. Bodhanwala is the Chairman and Mrs. Minnie A. Bodhanwala is member. The Committee deals with all transfers, transmission etc. as required from time to time and all matters pertaining to Investor Complaints.

The Committee reviews the performance of the Registrars and Transfer Agent (RTA) and their system of dealing with the investors.

24. COST AUDIT

There is no requirement for Cost Audit as the Company does not fall in the criteria for the same.

25. VIGIL MECHANISM

As per Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22(1) of LODR, the Company has been engaged in formulation of Vigil Mechanism for Directors and employees to report genuine concerns and made provisions for direct access to the chairperson of the Audit Committee.

26. NO SIGNIFICANT OR MATERIAL ORDER PASSED

There were no significant and material orders passed by any Regulator or Court or Tribunal impacting the going concern status and Company's Operations in future during the year under review.

27. REPORTING OF FRAUDS

There have been no instances of fraud reported by the Statutory Auditors under section 143(12) of the Act and Rules framed there under either to the Company or to the Central Government.

28. TRANSFER TO GENERAL RESERVE

The Company is not required to transfer any amount to its reserves. Hence, no amount is transferred to reserves during the year under review.

29. CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business during the year under review.

30. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

There are adequate Internal Control Systems operating in the Company, which are commensurate with the size and operations of the Company. The Audit Committee supervises the checks and control exercised and reports any suggestion or deviation on a continuing basis.

31. MEDIAN EMPLOYEE DETAILS

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be made available to any member on request.

32. CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct, which is applicable to the Members of the Board and all employees in the course of day-to-day business operations of the Company. The Code is laid down by the Board is known as "Code of Business Conduct" which forms appendix to the Code.

The Code lays down the Standard Procedure of Business Conduct which is expected to be followed by the Directors and designated employees in their business dealings and in particular on matters relating to integrity in work place in business practices and in dealing with stakeholders. All the Board Members and the Senior Management Personnel have confirmed compliance with the Code.

33. INSURANCE

The whole properties of the Company have been insured properly and the Company has taken necessary general insurance.

34. APPRECIATION

Your Directors wish to place on record their appreciation, for the contribution made by the employees at all levels but for whose hard work, and support, your Company's achievements would not have been possible.

Your Directors also wish to thank its customers, dealers, agents, suppliers, investors and bankers for their continued support and faith reposed in the Company.

For and on behalf of The Board of
Axel Polymers Limited.

sd/-

B.K.Bodhanwala
Chairman
DIN: 00421717

Date: 05.08.2017

Place: Mokshi

ANNEXURES TO THE REPORT OF BOARD OF DIRECTORS

ANNEXURE – 1 EXTRACT OF ANNUAL RETURN

MGT- 9

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS:

| | | |
|----|--|---|
| 1. | CIN | L25200GJ1992PLC017678 |
| 2. | Registration Date | 21.05.1992 |
| 3. | Name of the Company | Axel Polymers Limited |
| 4. | Category/Sub-category of the Company | Public Company-Limited by Shares |
| 5. | Address of the Registered office & contact details | S. No. 309, Vil-Mokshi, Sankarda-Savli Road Tal-Savli, Dist.Vadodara- 391 780. Gujarat. Tele fax:+91 2667 244395 |
| 6. | Whether listed company | Listed |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Link Intime India Private Limited B-102-103, Shangrila Complex, 1st Floor, Opp. HDFC Bank, Near Radhakishna Char rasta, Akota, Dist. Vadodara-390 020. Gujarat |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| Sl. No. | Name and Description of main products / services | NIC Code of the Product / service | % to total turnover of the company |
|---------|---|-----------------------------------|------------------------------------|
| | Compounds of Blends Alloys & Reinforcements of Engineering Polymers | -- | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY COMPANIES –

| Sl. No. | Name and Address of the Company | CIN | Holding Associate | % of shares Held | Applicable Section |
|---------|---------------------------------|-----|-------------------|------------------|--------------------|
| | — | — | — | — | — |

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

I) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2016] | | | No. of Shares held at the end of the year [As on 31-March-2017] | | | % change during the year |
|---|---|---------------|---------------|---|---------------|---------------|--------------------------|
| | Demat | Physical | Total | Demat | Physical | Total | |
| A. Promoters | | | | | | | |
| (1) Indian | | | | | | | |
| a) Individual/ HUF | 716500 | 240000 | 956500 | 741367 | 237500 | 978867 | 22.76 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Banks/ FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any other | | | | | | | |
| Total shareholding of Promoter (A) | 716500 | 240000 | 956500 | 741367 | 237500 | 978867 | 22.76 |
| B. Public Shareholding | | | | | | | |
| 1. Institutions | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| a) Mutual Funds | 0 | 15800 | 15800 | 0 | 15800 | 15800 | 0.37 |
| b) Banks / FI | 0 | 4000 | 4000 | 0 | 4000 | 4000 | 0.09 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| Category of Shareholders | No. of Shares held at the beginning of the year - 31.03.2016 | | | | No. of Shares held at the end of the year - 31.03.2017 | | | | % change during the year |
|--|--|--------------|--------------|-------------------|--|--------------|--------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| g) FII's | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1):- | 0 | 19800 | 19800 | 0.46 | 0 | 19800 | 19800 | 0.46 | 0 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 139889 | 70100 | 209989 | 4.88 | 16884 | 70100 | 86984 | 2.02 | (2.86) |
| i) Indian | | | | | | | | | |
| ii) Overseas | | | | | | | | | |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 972560 | 1426100 | 2398660 | 55.78 | 952314 | 1422700 | 2375014 | 55.23 | (0.54) |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 424149 | 94600 | 518749 | 12.06 | 506362 | 94600 | 600962 | 13.98 | 1.91 |
| c) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Independent Director | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Clearing Members | 2200 | 0 | 2200 | 0.05 | 14015 | 0 | 14015 | 0.33 | 0.27 |
| Non Resident Indians(Repeat) | 19185 | 132800 | 151985 | 3.53 | 19697 | 132800 | 152497 | 3.55 | 0.02 |
| Non Resident Indians (Non Repeat) | 6800 | 0 | 6800 | 0.16 | 6900 | 0 | 6900 | 0.16 | 0.002 |

| Category of Shareholders | No. of Shares held at the beginning of the year-31.03.2016 | | | No. of Shares held at the end of the year-31.03.2017 | | | % change during the year |
|--|--|----------------|----------------|--|----------------|----------------|--------------------------|
| | Demat | Physical | Total | Demat | Physical | Total | |
| Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hindu Undivided Family | 35317 | 0 | 35317 | 64961 | 0 | 64961 | 0.69 |
| Sub-total (B)(2) :- | 1600100 | 1723600 | 3323700 | 158133 | 1720200 | 3301333 | (0.52) |
| Total Public Shareholding | | | | | | | |
| (B)=(B)(1) + (B)(2) | 1600100 | 1743400 | 3343500 | 158133 | 1740000 | 332133 | (0.52) |
| C. Shares held by Custodian for GDRs & DRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 2316600 | 1983400 | 4300000 | 2322500 | 1977500 | 4300000 | 100 |

II) Shareholding of Promoters

| No. | Shareholders Name | Shareholding at the beginning of the year - 31.03.2016 | | | Shareholding at the end of the year - 31.03.2017 | | | % change during the year |
|-----|-----------------------|--|----------------------------------|--|--|----------------------------------|--|--------------------------|
| | | No of shares | % of total shares of the company | % of shares pledged encumbered to total shares | No of shares | % of total shares of the company | % of shares pledged encumbered to total shares | |
| 1 | Aarasp B. Bodhanwala | 127300 | 2.96 | 0 | 129800 | 3.02 | 0 | 0.06 |
| 2 | Gaurav S. Thanky | 199000 | 4.63 | 0 | 223867 | 5.21 | 0 | 0.58 |
| 3 | Minnie A. Bodhanwala | 120100 | 2.79 | 0 | 120100 | 2.79 | 0 | 0 |
| 4 | Patel Devendra Manji | 103700 | 2.41 | 0 | 103700 | 2.41 | 0 | 0 |
| 5 | Dhara Gaurav Thanky | 159501 | 3.71 | 0 | 159501 | 3.71 | 0 | 0 |
| 6 | Tinaz A. Bodhanwala | 67400 | 1.57 | 0 | 67400 | 1.57 | 0 | 0 |
| 7 | Balwant Patel | 72700 | 1.69 | 0 | 72700 | 1.69 | 0 | 0 |
| 8 | Mahendra kumar Patel | 47800 | 1.11 | 0 | 47800 | 1.11 | 0 | 0 |
| 9 | Tehmi B. Bodhanwala | 1100 | 0.03 | 0 | 1100 | 0.03 | 0 | 0 |
| 10 | Ram Trivedi | 31500 | 0.73 | 0 | 31500 | 0.73 | 0 | 0 |
| 11 | Anahita A. Bodhanwala | 22700 | 0.52 | 0 | 22700 | 0.52 | 0 | 0 |
| 12 | Devshi A. Kanbi | 20000 | 0.47 | 0 | 20000 | 0.47 | 0 | 0 |
| 13 | Raniji M. Kerai | 20000 | 0.47 | 0 | 20000 | 0.47 | 0 | 0 |
| 14 | Bejan K. Bodhanwala | 400 | 0.01 | 0 | 400 | 0.01 | 0 | 0 |
| 15 | Jayraj M. Bhadrnwala | 9800 | 0.23 | 0 | 9800 | 0.23 | 0 | 0 |
| 16 | Navin Patel | 9800 | 0.23 | 0 | 9800 | 0.23 | 0 | 0 |
| 17 | Aruna B Patel | 9600 | 0.22 | 0 | 9600 | 0.22 | 0 | 0 |
| 18 | Rameshchandra Sanghvi | 4900 | 0.11 | 0 | 4900 | 0.11 | 0 | 0 |

| | | | | | | | | |
|----|---------------------|------|-------|---|------|--------|---|--------|
| 19 | Minoo Pestonji | 3500 | 0.08 | 0 | 3500 | 0.08 | 0 | 0 |
| 20 | Homi N Vakil | 2500 | 0.06 | 0 | 0 | 0 | 0 | (0.06) |
| 21 | Mukesh C. Patel | 2500 | 0.06 | 0 | 2500 | 0.06 | 0 | 0 |
| 22 | Hemendra S. Patel | 1700 | 0.04 | 0 | 1700 | 0.04 | 0 | 0 |
| 23 | A. J. Desai | 800 | 0.02 | 0 | 800 | 0.02 | 0 | 0 |
| 24 | Ishwarbhai D. Patel | 800 | 0.02 | 0 | 800 | 0.02 | 0 | 0 |
| 25 | Kanubhai C. Patel | 600 | 0.01 | 0 | 600 | 0.01 | 0 | 0 |
| 26 | Vikrambhai H. Patel | 400 | 0.009 | 0 | 400 | 0.009 | 0 | 0 |
| 27 | Jitesh R. Desai | 400 | 0.009 | 0 | 400 | 0.009 | 0 | 0 |
| 28 | Hashmukh M Patel | 200 | 0.005 | 0 | 200 | 0.005 | 0 | 0 |
| 29 | Amita J Desai | 100 | 0.002 | 0 | 100 | 0.0020 | 0 | 0 |
| 30 | Ashwinbhai T. Patel | 100 | 0.002 | 0 | 100 | 0.002 | 0 | 0 |
| 31 | Thakurbhai D. Patel | 100 | 0.002 | 0 | 100 | 0.002 | 0 | 0 |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

C) Change in Promoters' Shareholding (please specify, if there is no change)

| Sl No. | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | | |
|--------|---|---|----------------------------------|---|----------------------------------|-------------|
| | | No. of shares | % of total shares of the company | No. of Shares | % of total shares of the company | |
| 1 | Gaurav Thanky | | | | | |
| | At the beginning of the year | 199000 | 4.63 | 199000 | 4.63 | |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | Purchase/Sale | | | | |
| | | 29.07.2016 | 3588 | 0.08 | 202588 | 4.71 |
| | | 05.08.2016 | 3588 | 0.08 | 206176 | 4.79 |
| | | 19.08.2016 | 9996 | 0.23 | 216172 | 5.03 |
| | | 26.08.2016 | (8586) | (0.20) | 207586 | 4.83 |
| | | 25.11.2016 | 16281 | 0.38 | 223867 | 5.21 |
| | At the end of the year | 223867 | 5.21 | 223867 | 5.21 | |
| 2 | Dhara Gaurav Thanky | | | | | |
| | At the beginning of the year | 159501 | 3.71 | 159501 | 3.71 | |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | | 0 | 0 | 0 | |
| | At the end of the year | 159501 | 3.71 | 159501 | 3.71 | |
| 3 | Aarasp Bejan Bodhanwala | | | | | |
| | At the beginning of the year | 127300 | 2.96 | 127300 | 2.96 | |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | Transfer from Sr. No.6 | 2500 | 0.06 | 129800 | 3.02 |
| | At the end of the year | 129800 | 2.96 | 129800 | 3.02 | |
| 4 | Minnie Aarasp Bodhanwala | | | | | |
| | At the beginning of the year | 120100 | 2.79 | 120100 | 2.79 | |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | | 0 | 0 | 0 | |
| | At the end of the year | 120100 | 2.79 | 120100 | 2.79 | |

(C) Change in Promoters' Shareholding (please specify, if there is no change)

| Sl No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 5 | Tehmi Bejan Bodhanwala At the beginning of the year Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | 1100 0 | 0.03 0 | 1100 0 | 0.03 0 |
| | At the end of the year | 1100 | 0.03 | 1100 | 0.03 |
| 6 | Homi N. Vakil At the beginning of the year Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | 2500 (2500) | 0.058 0 | 2500 0 | 0.058 0 |
| | At the end of the year | 0 | 0 | 0 | 0 |
| 7 | Patel Devendra Manji At the beginning of the year Increase / Decrease in Shareholding | 103700 0 | 2.41 0 | 103700 0 | 2.41 0 |
| | At the end of the year | 103700 | 2.41 | 103700 | 2.41 |
| 8 | Bejan K. Bodhanwala At the beginning of the year Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | 400 0 | 0.01 0 | 400 0 | 0.01 0 |
| | At the end of the year | 400 | 0.01 | 400 | 0.01 |
| 9 | Tinaz A. Bodhanwala At the beginning of the year Increase / Decrease in Shareholding | 67400 0 | 1.57 0 | 67400 0 | 1.57 0 |
| | At the end of the year | 67400 | 1.57 | 67400 | 1.57 |
| 10 | Balwant Patel At the beginning of the year Increase / Decrease in Shareholding | 72700 0 | 1.69 0 | 72700 0 | 1.69 0 |
| | At the end of the year | 72700 | 1.69 | 72700 | 1.69 |

(C) Change in Promoters' Shareholding (please specify, if there is no change)

| Sl No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|-------------------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 11 | Mahendra kumar Patel | | | | |
| | At the beginning of the year | 47800 | 1.11 | 47800 | 1.11 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 47800 | 1.11 | 47800 | 1.11 |
| 12 | Ram Trivedi | | | | |
| | At the beginning of the year | 31500 | 0.73 | 31500 | 0.73 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 31500 | 0.73 | 31500 | 0.73 |
| 13 | Anahita A. Bodhanwala | | | | |
| | At the beginning of the year | 22700 | 0.53 | 22700 | 0.53 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 22700 | 0.53 | 22700 | 0.53 |
| 14 | Devshi A. Kanbi | | | | |
| | At the beginning of the year | 20000 | 0.47 | 20000 | 0.47 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 20000 | 0.47 | 20000 | 0.47 |
| 15 | Ramji M. Kerai | | | | |
| | At the beginning of the year | 20000 | 0.47 | 20000 | 0.47 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 20000 | 0.47 | 20000 | 0.47 |
| 16 | Jayraj M. Bhadranwala | | | | |
| | At the beginning of the year | 9800 | 0.23 | 9800 | 0.23 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 9800 | 0.23 | 9800 | 0.23 |
| 17 | Navin Patel | | | | |
| | At the beginning of the year | 9800 | 0.23 | 9800 | 0.23 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 9800 | 0.23 | 9800 | 0.23 |
| 18 | Aruna B. Patel | | | | |
| | At the beginning of the year | 9600 | 0.22 | 9600 | 0.22 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 9600 | 0.22 | 9600 | 0.22 |
| 19 | Rameshchandra N. Sanghvi | | | | |
| | At the beginning of the year | 4900 | 0.11 | 4900 | 0.11 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 4900 | 0.11 | 4900 | 0.11 |

(C) Change in Promoters' Shareholding (please specify, if there is no change)

| Sl No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|-------------------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 20 | Minoo Pestonji | | | | |
| | At the beginning of the year | 3500 | 0.08 | 3500 | 0.08 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 3500 | 0.08 | 3500 | 0.08 |
| 21 | Mukesh C Patel | | | | |
| | At the beginning of the year | 2500 | 0.06 | 2500 | 0.06 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 2500 | 0.06 | 2500 | 0.06 |
| 22 | Hemendra S. Patel | | | | |
| | At the beginning of the year | 1700 | 0.04 | 1700 | 0.04 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 1700 | 0.04 | 1700 | 0.04 |
| 23 | A.J. Desai | | | | |
| | At the beginning of the year | 800 | 0.02 | 800 | 0.02 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 800 | 0.02 | 800 | 0.02 |
| 24 | Ishwarbhai D. Patel | | | | |
| | At the beginning of the year | 800 | 0.02 | 800 | 0.02 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 800 | 0.02 | 800 | 0.02 |
| 25 | Kanubhai C. Patel | | | | |
| | At the beginning of the year | 600 | 0.01 | 600 | 0.01 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 600 | 0.01 | 600 | 0.01 |
| 26 | Vikrambhai H. Patel | | | | |
| | At the beginning of the year | 400 | 0.01 | 400 | 0.01 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 400 | 0.01 | 400 | 0.01 |
| 27 | Jitesh R Desai | | | | |
| | At the beginning of the year | 400 | 0.01 | 400 | 0.01 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 400 | 0.01 | 400 | 0.01 |
| 28 | Hashmukh M Patel | | | | |
| | At the beginning of the year | 200 | 0.005 | 200 | 0.005 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 200 | 0.005 | 200 | 0.005 |

(C) Change in Promoters' Shareholding (please specify, if there is no change)

| Sl No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|-------------------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 29 | Amita J Desai | | | | |
| | At the beginning of the year | 100 | 0.002 | 100 | 0.002 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 100 | 0.002 | 100 | 0.002 |
| 30 | Ashwinbhai T. Patel | | | | |
| | At the beginning of the year | 100 | 0.002 | 100 | 0.002 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 100 | 0.002 | 100 | 0.002 |
| 31 | Thakurbhai D. Patel | | | | |
| | At the beginning of the year | 100 | 0.002 | 100 | 0.002 |
| | Increase / Decrease in Shareholding | 0 | 0 | 0 | 0 |
| | At the end of the year | 100 | 0.002 | 100 | 0.002 |

D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

| Sl No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Vijayraj Maheshwari | | | | |
| | At the beginning of the year | 75800 | 1.76 | 75800 | 1.76 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the end of the year | 75800 | 1.76 | 75800 | 1.76 |
| 2 | Homi Farrok Kaka | | | | |
| | At the beginning of the year | 61499 | 1.43 | 61499 | 1.43 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the end of the year | 61499 | 1.43 | 61499 | 1.43 |
| 3 | Chandresh Lotia | | | | |
| | At the beginning of the year | 50000 | 1.16 | 50000 | 1.16 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the end of the year | 50000 | 1.16 | 50000 | 1.16 |
| 4 | Jasmine Pravin Ajmera | | | | |
| | At the beginning of the year | 36922 | 0.86 | 36922 | 0.86 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | | | | |
| | Purchase 06.05.2016 | 240 | 0.01 | 37162 | 0.86 |
| | 03.06.2016 | 400 | 0.01 | 37562 | 0.87 |
| | 27.05.2016 | 2780 | 0.06 | 40342 | 0.94 |
| | 17.06.2016 | 2449 | 0.06 | 42791 | 1.00 |
| | 210 | 0.00 | 43001 | 1.00 | |
| | At the end of the year | 43001 | 1.00 | 43001 | 1.00 |

Axel Polymers Limited

| Sl No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 5 | Kruti Deepak Goradiya | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Date wise Increase / Decrease Purchase | | | | |
| | in Share holding during the year 20.01.2017 | 3631 | 0.08 | 3631 | 0.08 |
| | specifying the reasons for increase 27.01.2017 | 3678 | 0.09 | 7309 | 0.17 |
| | /decrease (e.g. allotment / transfer 03.02.2017 | 3199 | 0.07 | 10508 | 0.24 |
| | / bonus/ sweat equity etc). 10.02.2017 | 16952 | 0.39 | 27460 | 0.64 |
| | 24.02.2017 | 3427 | 0.08 | 30887 | 0.72 |
| | 10.03.2017 | 6640 | 0.15 | 37527 | 0.87 |
| | At the end of the year | 37527 | 0.87 | 37527 | 0.87 |
| 6 | Maruti Communications Limited | | | | |
| | At the beginning of the year | 31700 | 0.74 | 31700 | 0.74 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc). | 0 | 0 | 0 | 0 |
| | At the end of the year | 31700 | 0.74 | 31700 | 0.74 |
| 7 | Amit Ajay Deshmukh | | | | |
| | At the beginning of the year | 31500 | 0.73 | 31500 | 0.73 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the end of the year | 31500 | 0.73 | 31500 | 0.73 |
| 8 | P Jayageethan | | | | |
| | At the beginning of the year | 1600 | 0.04 | 1600 | 0.04 |
| | Date wise Increase / Decrease Purchase | | | | |
| | in Share holding during the year 29.04.2016 | 5699 | 0.13 | 7299 | 0.17 |
| | specifying the reasons for increase/ 06.05.2016 | 400 | 0.01 | 7699 | 0.18 |
| | decrease (e.g. allotment / transfer / 20.05.2016 | 989 | 0.02 | 8688 | 0.20 |
| | bonus/ sweat equity etc): 03.06.2016 | 519 | 0.01 | 9207 | 0.21 |
| | 10.06.2016 | 2100 | 0.05 | 11307 | 0.26 |
| | 17.06.2016 | 11200 | 0.26 | 22507 | 0.52 |
| | 18.11.2016 | 6960 | 0.16 | 29467 | 0.69 |
| | 25.11.2016 | 895 | 0.02 | 30362 | 0.71 |
| | At the end of the year | 30362 | 0.71 | 30362 | 0.71 |

Axel Polymers Limited

| Sl No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 9 | Deepak B. Goradia | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Date wise Increase / Decrease Purchase | | | | |
| | in Share holding during the year 21.10.2016 | 13420 | 0.31 | 13420 | 0.31 |
| | specifying the reasons for 17.02.2017 | 6580 | 0.15 | 20000 | 0.46 |
| | increase/decrease (e.g. allotment/ 24.02.2017 | 1170 | 0.03 | 21179 | 0.49 |
| | transfer / bonus/ sweat equity etc): 03.03.2017 | 2000 | 0.05 | 23179 | 0.54 |
| | 10.03.2017 | 5560 | 0.13 | 28739 | 0.67 |
| | At the end of the year | 28739 | 0.67 | 28739 | 0.67 |
| 10 | Deepak Goradia | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Date wise Increase / Decrease Purchase | | | | |
| | in Share holding during the year 04.11.2016 | 8349 | 0.19 | 8349 | 0.19 |
| | specifying the reasons for increase 11.11.2016 | 11651 | 0.27 | 20000 | 0.46 |
| | /decrease (e.g. allotment/transfer/ 18.11.2016 | 2500 | 0.06 | 22500 | 0.52 |
| | bonus/ sweat equity etc): 25.11.2016 | 100 | 0.0 | 22600 | 0.52 |
| | 24.03.2017 | 49 | 0.0 | 22649 | 0.52 |
| | At the end of the year | 22649 | 0.52 | 22649 | 0.52 |

E) Shareholding of Directors and Key Managerial Personnel:

| Sl No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|---|---|--|--|--|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Bejan Kavasji Bodhanwala At the beginning of the year Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | 400 0 | 0.01 0 | 400 0 | 0.01 0 |
| | At the end of the year | 400 | 0.01 | 400 | 0.01 |
| 2 | Aarasp Bejan Bodhanwala At the beginning of the year Date wise Increase / Decrease Transfor Form in Share holding during the year Sr.No.6 above specifying the reasons for increase 17.02.2017 /decrease (e.g. allotment / transfer/bonus/ sweat equity etc): | 127300 2500 | 2.96 0.06 | 127300 129800 | 2.96 3.02 |
| | At the end of the year | 129800 | 3.02 | 129800 | 3.02 |
| 3 | Minnie Aarasp Bodhanwala At the beginning of the year Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer/ bonus/ sweat equity etc): | 120100 0 | 2.79 0 | 120100 0 | 2.79 0 |
| | At the end of the year | 120100 | 2.79 | 120100 | 2.79 |
| 4 | Gaurav Thanky At the beginning of the year Date wise Increase / Decrease Purchase/ in Share holding during the year Sale specifying the reasons for increase 29.07.2016 /decrease (e.g. allotment / transfer/ 05.08.2016 bonus/ sweat equity etc): 19.08.2016 26.08.2016 25.11.2016 | 199000 3588 3588 9996 (8586) 16281 | 4.63 0.08 0.08 0.23 (0.20) 0.38 | 199000 202588 206176 216172 207586 223867 | 4.63 4.71 4.79 5.03 4.83 5.21 |
| | At the end of the year | 223867 | 5.21 | 223867 | 5.21 |

E) Shareholding of Directors and Key Managerial Personnel:

| Sl No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 5 | Amitabh Thakore | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the end of the year | 0 | 0 | 0 | 0 |
| 6 | Prashant Walvekar | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e. g. allotment / transfer/ bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the end of the year | 0 | 0 | 0 | 0 |
| 7 | Shailesh Bharvad | | | | |
| | At the beginning of the year | 0 | 0 | 0 | 0 |
| | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e. g. allotment / transfer/ bonus/ sweat equity etc): | 0 | 0 | 0 | 0 |
| | At the end of the year | 0 | 0 | 0 | 0 |

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/ accrued but not due for payment.

| | Secured Loans Excluding Deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------------------|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 4,78,67,529 | 66,56,896 | 0 | 5,45,24,425 |
| ii) Interest due but not paid | - | - | | |
| iii) Interest accrued but not due | - | - | | |
| Total (i+ii+iii) | 4,78,67,529 | 66,56,896 | | 5,45,24,425 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | 21,21,129 | - | | 21,21,129 |
| * Reduction | - | 3,40,000 | | 3,40,000 |
| Net Change | 21,21,129 | 3,40,000 | | 17,81,129 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 4,99,88,658 | 63,16,896 | | 5,63,05,554 |
| ii) Interest due but not paid | - | - | | - |
| iii) Interest accrued but not due | 5,73,361 | - | | 5,73,361 |
| Total (i+ii+iii) | 5,05,62,019 | 63,16,896 | | 5,68,78,915 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:

| Sl No. | Particulars of Remuneration | B K Bodhanwala (Chairman & WTD) | A B Bodhanwala (MD) | Gaurav Thanky (Director & CFO)* | Total |
|--------|---|------------------------------------|------------------------|------------------------------------|-------------|
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 3,00,000/- | 15,00,000/- | 12,00,000/- | 30,00,000/- |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 64,263 | 0 | 0 | 64,263 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | 0 | 0 | 0 | 0 |
| 2 | Stock Option | 0 | 0 | 0 | 0 |
| 3 | Sweat Equity | 0 | 0 | 0 | 0 |
| 4 | Commission - as % of profit - others, specify... | 0 | 0 | 0 | 0 |
| 5 | Others, please specify | 0 | 0 | 0 | 0 |
| | Total (A) | 3,64,263/- | 15,00,000/- | 12,00,000/- | 30,64,263/- |
| | Ceiling as per the Act | | | | |

B. Remuneration to other directors

| Sl No. | Particulars of Remuneration | Name of Directors | | Total Amount |
|--------|--|-------------------|-------------------|--------------|
| 1 | Independent Directors | Amitabh Thakore | Prashant Walvekar | |
| | Fee for attending board committee meetings | 0 | 0 | 0 |
| | Commission | 0 | 0 | 0 |
| | Others, please specify | 0 | 0 | 0 |
| | Total (1) | 0 | 0 | 0 |
| 2 | Other Non-Executive Directors | 0 | 0 | 0 |
| | Fee for attending board committee meetings | 0 | 0 | 0 |
| | Commission | 0 | 0 | 0 |
| | Others, please specify | 0 | 0 | 0 |
| | Total (2) | 0 | 0 | 0 |
| | Total (B)=(1+2) | 0 | 0 | 0 |
| | Total Managerial Remuneration | 0 | 0 | 0 |
| | Overall Ceiling as per the Act | 0 | 0 | 0 |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| No. | Particulars of Remuneration | Key Managerial Personnel | | |
|-----|--|--------------------------|--------|--------|
| | | CFO* | CS | Total |
| 1 | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961 | | 165000 | 165000 |
| 2 | Stock Option | | 0 | 0 |
| 3 | Sweat Equity | | 0 | 0 |
| 4 | Commission - as % of profit Others, specify... | | 0 | 0 |
| 5 | Others, please specify | | 0 | 0 |
| | Total | | 165000 | 165000 |

*Shown in Table No. VI

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment/ Compounding fees | imposed Authority [RD/NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|--|------------------------------------|------------------------------------|
| A. COMPANY | | | None | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | None | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | None | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

For and on behalf of the Board of
Axel Polymers Limited.

sd/-

B.K.Bodhanwala
Chairman

DIN : 00421717

Date: 05.08.2017

Place: Mokshi

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
AXEL POLYMERS LIMITED
S NO 309, VIL-MOKSHI, SANKARDA-SAVLI ROAD,
TAL-SAVLI,
VADODARA, GUJARAT,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the AXEL POLYMERS LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Having regard to the products, processes and locations of the Company as also having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, we further report that the Company has complied with the following laws applicable specifically to the Company:
1. The Environment (Protection) Act, 1986
 2. The Air (Prevention And Control of Pollution) Act, 1981
 3. The Water (Prevention and Control of Pollution) Act, 1974

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd.,

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report (by way of information) that during the audit period:

- (a) The Company has not issued any securities during the period under review and accordingly
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008were not applicable during the audit period.
- (b) The Company has neither got delisted Equity Shares nor bought back any security of the Company and accordingly
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 were not applicable during the audit period.
- (c) Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India mandatorily applicable during the audit period were complied with.

Axel Polymers Limited

- (d) The Company has complied with the SEBI (Prohibition of Insider Trading) Regulations, 2015 enacted in repealment of the SEBI (Prohibition of Insider Trading) Regulations, 1992.

For Devesh Vimal & Co.
Practising Company Secretaries

Date: 31.07.2017
Place: Vadodara

sd/-
CS Devesh A. Pathak
Partner
FCS No.4559
CP No.: 2306

Note: This report is to be read with our letter of even date which is enclosed as forming integral part of this report.

31st July, 2017

To,
The Members,
AXEL POLYMERS LIMITED
S No 309, Vil-Mokshi, Sankarda-Savli Road
Tal-Savli,
Vadodara - 391 780

Ref : Secretarial Audit Report dated 31st July, 2017 pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices we followed provided reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company and have relied upon the reports of designated professionals including Statutory Auditors for the purpose.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, regulations and happenings of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards, is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Devesh Vimal & Co.
Practising Company Secretaries

CS Devesh A. Pathak
Partner
FCS No. 4559
CP No.: 2306

ANNEXURE – 3 AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2017 which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis

| | | |
|---|--|---|
| (a) Name(s) of the related party and nature of relationship | Dhara Petrochemicals Pvt. Ltd Director & CFO | V R Industries Partner |
| (b) Nature of contracts/ arrangements/transactions | Manufacturing Purchase & Sales Agreement | Manufacturing Purchase & Sales Agreement |
| (c) Duration of the contracts / arrangements/transactions | 3 years | 3 years |
| (d) Salient terms of the contracts or arrangements or transactions including the value, if any: | The Terms are mainly to Buy Sell or Manufacture Compounds of Engineering Polymers in domestic as well as Export Market. Period is 3 years Value of Contract in previous year- 25.44 Crore | The Terms are mainly to Buy Sell or Manufacture Compounds of Engineering Polymers in domestic as well as Export Market. Period is 3 years Value of Contract in previous year- 8.32 Crore |
| (e) Date(s) of approval by the Board, if any: | 28.05.2016 | 28.05.2016 |
| (f) Amount paid as advances, if any: | 357.64 Lacs Security Deposit | 121.11 Lacs Security Deposit |

For and on behalf of The Board of
Axel Polymers Limited.

sd/-

B.K.Bodhanwala

Chairman

DIN: 00421717

Date: 05.08.2017

Place: Mokshi

Annexure - 4
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry structure and development

Axel is a leading Manufacturer of Compounds Blends & Alloys of Engineering Polymers in India. Changing economic and business conditions, technological innovation and technology adoption are making the markets more competitive. The customer focus has shifted to cost saving and alternate solution. Axel always provides the optimum solution to its customer.

These are challenging times across the world. Almost every business every individual is being impacted in these times and your Company is no exception to it. This is the time for us to show what we are made up of. We must work harder and smarter, delight our customers now more than ever. The true spirit is founded on our enthusiasm, on our constant will to renew, on our willingness to assume responsibility and to ensure that we succeed. Your Company backed by a list of Multinational and Indian Corporate Giants and remarkable processing talents was able to face those challenges by bolstering talent and cost effective plans across the company.

Performance Analysis

The performance analysis for the year; we achieved a Net Revenue of Rs. 2221.53 lacs during the year. The Interest & Finance Costs for the year stood at Rs. 93.16 lacs, which is nearly 4% of the Net Sales & Depreciation at Rs. 21.30 Lacs. The RMC stood at Rs. 1746.16 lacs.

Opportunities & Threats

Compared to the Global crisis, the effect on India was less pronounced. The main factor is the domestic consumption in India is sufficiently large. Sustained domestic growth will bring improvement in all facets of life.

World markets continued to remain in the slump but do recognise the competitiveness of Indian products and services. This will in turn accelerate the pace of the domestic markets too in future.

The Company has launched its own Brand of Polymer Compounds. The market penetration is extremely good and the response received from the new customers was welcome. However, with our presence in the Compounding Industry for nearly 2 decades, made things fall into place with lesser difficulties.

The existing expanded scale of our operations, future developments, low overheads, and qualities of products matching with International Standards are our inherent strengths. This in turn continues to give us unparalleled platform to be more competitive. We are focused to deliver superior values to customers, ensuring International qualities for all the products and services.

Segment wise / Product wise performance

| Class of Goods | Unit | Sales Qty MT | Value (Rs lacs) |
|-----------------------------------|------|--------------|-----------------|
| Compounds of Engineering Polymers | MT | 3418.571 | 2442.93 |

Outlook

We are one of the oldest Companies in the field of Engineering Polymers. With the launch of own Brand of Polymer Compounds your Directors are confident and optimistic of generating additional revenues at a higher rate. The demand for this product will never be in slump due to the sheer size of the Domestic Market.

The New Year started with positive note; people started getting over the increased costs. The required / requested price rise was also coming from some sectors; to start with. Marketing Strategy and efforts to cater to diverse industrial applications were showing results and sales are growing from early parts of the year itself, newer opportunities are showing positive signs and contracted sales opportunities are offered.

Risk Management

Polymer Industry has a certain specific set of risk characteristics, which needs to be carefully evaluated and mitigated. In order to effectively manage the same, the Company has evolved proactive Risk Management System, which is adhered to. The risk management covers the entire process from capital investment, competitors' activities, new entrants etc. Continual reforms and emphasis on technological developments shall reduce the exposure to risk.

Internal Control Systems

There are adequate internal control systems operating in the Company, which are commensurate with the size and operations of the Company. The Audit Committee supervises the checks and controls exercised, and reports any suggestions or deviations on a continuing basis.

Further, during the current year the Company has maintained ISO 9001 – 2008 Certification. This has further improved the efficiency and the responsibility of the employees.

Financial performance vis-à-vis Operational performance

Our production and revenues have increased during the current year. There has been an all round growth in the Polymer market.

The performance analysis for the year; we achieved a Net Revenue of Rs. 2221.53 lacs during the year. The Interest & Finance Costs for the year stood at Rs. 93.16 lacs, which is nearly 4% of the Net Sales & Depreciation at Rs. 21.30 Lacs. The RMC stood at Rs. 1746.16 lacs;

The Company has paid all the Financial Commitments to Bank within the stipulated period as per the Audit Report. The production costs in absolute terms, increased during the current year.

Human Resources

The focus is on the capability development, performance management and employee engagement. This is expected to improve the cost competitiveness through greater levels of employee participation, commitment and involvement.

CAUTIONARY STATEMENT

Statement in this management analysis detailing the Company's objectives, projections, estimates, expectations, or predictions may be "forward looking" statements within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that may influence your Company's operations include Global and domestic supply and demand conditions affecting selling prices, input availability and prices, changes in Government policies, regulations, tax regimes, economic development within and outside the country and other allied factors. The Company assumes no responsibility to publicly amend, modify or revise the forward looking statement on the basis of subsequent developments, information or events.

MD/CFO CERTIFICATION TO THE BOARD
(Under Regulation 17(8) of Listing Regulation, 2015)

We, Mr. Aarasp B. Bodhanwala, Managing Director and Mr. Gaurav S. Thanky, Chief Financial Officer certify that -

a. We have reviewed the financial statements for the Quarter and Year ended on 31st March, 2017 and that to the best of our knowledge and belief:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Quarter and Year ended on 31st March, 2017 which are fraudulent, illegal or violative of the Company's code of conduct;

c. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps have taken or proposed to be taken to rectify these deficiencies.

- d.
- There has not been any significant change in internal control over financial reporting during the Year under reference.
 - There has not been any significant change in accounting policies during the Year requiring disclosure in the notes to the financial statements; and
 - We are not aware of any instance during the Year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Moxi
Date: 30.05.2017

sd/-
A. B. Bodhanwala
Managing Director

sd/-
Gaurav Thanky
Chief Financial Officer

Independent Auditor's Report

To,

To the Members of

AXEL POLYMERS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of AXEL POLYMERS LIMITED ("the Company") which comprise the Balance sheet as at 31 March 2017 and the Statement of Profit and Loss, the Cash flow Statement for the year the ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the companies Act, 2013("the Act") with respect to the preparation and presentation of these standalone financial statements of Company that give a true and fair view of the financial position and financial performance and cash flows of the company in accordance with the Accounting principles generally accepted in India, including accounting Standards specified u/s 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified u/s 143(10) of the Act. 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 amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material 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 of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the company as at 31 March 2017, and its statement of profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, 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 aforesaid financial Statements comply with the Accounting Standards referred to in section 133 the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. On the basis of written representations received from the directors as on 31 March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017, from being appointed as a director in terms of section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g. With respect to the matter to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation.
 - ii. The Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;
 - iii. There is no such amount which is required to be transfer to the Investor education and protection fund by the Company.
 - iv. The Company has provided requisite disclosures in the standalone financial statements as to holding as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to December, 2016, on the basis of information available with the Company. Based on audit procedures, and relying on management's representation, we report that disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management. – Refer Note 2.26(7)

For SHAH & BHANDARI
Chartered Accountants
Firm No.: 118852W

(Yogesh Bhandari)
Partner
M.No.046255

Place : Vadodara
Date : 30.05.2017

"ANNEXURE-A" TO THE AUDITOR'S REPORT

- i.
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - (b) As explained to us, fixed assets are physically verified by the management at the year-end, which in our opinion, is reasonable, looking to the size of the company and its nature of business, and no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds are held in the name of the company.
 - (a) As explained to us, Inventories has been physically verified during the year and at the year-end.
 - (b) In our opinion the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of inventory. As informed to us the discrepancies noticed on physical verification of stocks as compared to book records were not Material, however, the same have been properly dealt with in the books of account.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Hence clause 3(iii) of the Order is not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any Loans nor made any investments under the provisions of section 185 and 186 of the Act.
- v. The Company has not accepted any deposits during the year from the public within the meaning of sections 73 & 74 of the Act and the rules framed there under to the extent notified.
- vi. As informed to us the provision Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. Hence clause 3(vi) of the Order is not applicable to the company.
- vii.
 - (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, , service tax, duty of customs, duty of excise, value added tax or cess dues with the appropriate authorities. There are no undisputed amounts payable as at 31.03.2017 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanation given to us, there are no dues of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax or cess dues under dispute as on 31st March 2017 .
- viii. Based on our audit procedures and on the information and explanation given to us by management, the Company has not defaulted in repayment of its loan and interest to the banks.
- ix. According to the information and explanations given to us, no new term loan was availed during the year Hence clause 3(ix) of the Order is not applicable to the company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

- xi. The Company has paid/provided for management remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not of a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 and are disclosed in the financial statement as required by relevant Accounting Standards.
- xiv. According to the information and explanations given to us, The Company does not have made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For SHAH & BHANDARI
Chartered Accountants
Firm No.: 118852W

Place : Vadodara
Date : 30.05.2017

(Yogesh Bhandari)
Partner
M.No.046255

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Axel Polymers Limited as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SHAH & BHANDARI
Chartered Accountants
FRN.: 118852W

Place: Vadodara
Date: 30th May, 2017

(Yogesh Bhandari)
Partner
M.No. 046255

Axel Polymers Limited

BALANCE SHEET AS AT 31st March 2017

Amount Rs.

| Particulars | Note No. | As At 31-03-2017 | As At 31-03-2016 |
|------------------------------------|----------|----------------------------|----------------------------|
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholder's Funds | | | |
| (a) Share Capital | 2.1 | 4,30,00,000 | 4,30,00,000 |
| (b) Reserves and Surplus | 2.2 | (3,08,96,416) | (3,29,02,730) |
| (2) Non-Current Liabilities | | | |
| (a) Long-term borrowings | 2.3 | 63,16,896 | 66,56,896 |
| (b) Other Long term Liabilities | 2.4 | 4,78,75,000 | 4,78,75,000 |
| (C) Long term provisions | 2.5 | 5,57,511 | 7,92,497 |
| (3) Current Liabilities | | | |
| (a) Short-term borrowings | 2.6 | 5,05,62,019 | 4,78,67,529 |
| (b) Trade payables | 2.7 | 1,59,20,829 | 1,53,29,977 |
| (c) Other current liabilities | 2.8 | 17,82,715 | 8,30,030 |
| (d) Short-term provisions | 2.9 | 28,69,676 | 18,42,671 |
| Total | | <u>13,79,88,232</u> | <u>13,12,91,870</u> |
| II. Assets | | | |
| (1) Non-current assets | | | |
| (a) Fixed assets | | | |
| (i) Tangible Assets | 2.10 | 3,50,16,432 | 2,81,01,558 |
| (ii) Capital work-in-progress | | - | 1,34,071 |
| (b) Deferred Tax Asset | 2.11 | 7,82,212 | 7,82,212 |
| (C) Long term loans and advances | 2.12 | 68,34,138 | 60,45,440 |
| (2) Current assets | | | |
| (a) Inventories | 2.13 | 5,71,73,409 | 4,05,11,636 |
| (b) Trade receivables | 2.14 | 3,16,43,235 | 4,36,61,459 |
| (c) Cash and cash equivalents | 2.15 | 37,24,918 | 63,36,107 |
| (d) Short-term loans and advances | 2.16 | 26,87,648 | 32,37,527 |
| (e) Other Current Asset | 2.17 | 1,26,240 | 24,81,860 |
| | | <u>13,79,88,232</u> | <u>13,12,91,870</u> |

As per Report of even date attached

For Shah & Bhandari
Chartered Accountants
FRN : 118852W

For & on Behalf of The Board
Axel Polymers Limited

sd/-
B.K.Bodhanwala
Chairman

sd/-
A.B.Bodhanwala
Managing Director

Yogesh Bhandari
Partner
M. No. : 46255

sd/-
Gaurav Thanky
CFO

sd/-
Shailesh Bharvad
Company Secretary

Dated : 30th May, 2017 At : Vadodara.

Axel Polymers Limited

| PROFIT & LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2017 | | | Amount Rs. |
|--|----------|----------------------------|----------------------------|
| PARTICULARS | Note No. | 2016-17 | 2015-16 |
| I Revenue from operations (Gross) | 2.18 | 24,42,93,292 | 20,35,64,007 |
| Less: Excise Duty | | 2,48,78,880 | 1,82,59,201 |
| Revenue from operations (Net) | | <u>21,94,14,412</u> | <u>18,53,04,806</u> |
| II Other Income | 2.19 | 27,37,163 | 8,02,032 |
| III Total Revenue (I + II) | | <u>22,21,51,575</u> | <u>18,61,06,838</u> |
| IV Expenses | | | |
| Cost of Material consumed | 2.20 | 17,46,15,880 | 13,27,97,795 |
| Purchase of Stock in Trade | 2.21 | 21,99,568 | 1,14,20,388 |
| Changes in inventory of finished goods & work-in-progress | 2.22 | (74,27,283) | (3,00,568) |
| Employee benefit expenses | 2.23 | 1,10,62,924 | 81,71,390 |
| Financial costs | 2.24 | 93,15,706 | 84,19,926 |
| Depreciation and amortization expenses | 2.10 | 21,30,286 | 24,62,878 |
| Other expenses | 2.25 | 2,78,48,733 | 2,16,08,047 |
| Total Expenses | | <u>21,97,45,813</u> | <u>18,45,79,857</u> |
| V Profit before tax (III - IV) | | 24,05,761 | 15,26,982 |
| VI Tax expense | | | |
| (1) Current tax | | 3,99,447 | - |
| (2) Deferred tax | | - | - |
| VII Profit/(Loss) for the year | | <u>20,06,314</u> | <u>15,26,982</u> |
| VIII Earning per equity share (Face value of Rs. 10/-) | | | |
| Basic & Diluted | | 0.47 | 0.36 |
| No. of Shares C.Y.& P.Y.43,00,000 | | | |
| Significant Accounting Policies | 1 | | |
| Notes to Financial Statements | 2 | | |

As per Report of even date attached

For Shah & Bhandari
Chartered Accountants
FRN : 118852W

Yogesh Bhandari
Partner
M. No. : 46255

sd/-
B.K.Bodhanwala
Chairman

sd/-
Gaurav Thanky
CFO

Dated : 30th May, 2017 At : Vadodara.

For & on Behalf of The Board
Axel Polymers Limited

sd/-
A.B.Bodhanwala
Managing Director

sd/-
Shailesh Bharvad
Company Secretary

CASH FLOW STATEMENT AS AT 31.03.2017

| PARTICULARS | As at 31.3.2017 | As at 31.03.2016 |
|--|--------------------|----------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before tax and extra ordinary items(Including Prior period adjustments) | 24,05,761 | 15,26,982 |
| Adjusted for depreciation and w/off misc. expenses | 21,30,286 | 24,62,878 |
| (Gain)/Loss on sale of Fixed Assets | (2,89,717) | 30,050 |
| Interest income | (16,11,417) | (4,70,877) |
| Operating Profit before working capital changes | 26,34,913 | 35,49,033 |
| Adjustment for (increase)/decrease in Operating assets | | |
| Inventories | (1,66,61,773) | 47,31,992 |
| Trade Receivables | 1,20,18,224 | 1,10,22,040 |
| Short term Loans & advances | 5,49,879 | 19,50,830 |
| Other Current Assets | 23,55,620 | (24,56,398) |
| Long term loans & advance | (7,88,697) | (8,58,181) |
| Adjustment for (increase)/decrease in Operating Liabilities | | |
| Trade Payables & Provisions | 16,17,857 | (4,67,12,744) |
| Other current liabilities | 9,52,685 | (10,47,237) |
| Long term Liabilities & Provisions | (2,34,985) | 1,20,95,035 |
| CASH GENERATED FROM OPERATIONS | 24,43,723 | (1,77,25,630) |
| Direct Tax Paid | 3,99,447 | - |
| NET CASH GENERATED FROM OPERATIONS | 20,44,276 | (1,77,25,630) |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets /increase CWIP | (89,86,373) | (8,02,579) |
| Adjustments in CWIP | - | 29,55,000 |
| Sale of Assets (Including Profit) | 3,65,000 | 3,60,000 |
| Interest Income | 16,11,417 | 4,70,877 |
| Change in Bank Margin money/FD originally matured more than 3 months | 16,25,300 | (10,01,366) |
| NET CASH USED IN INVESTING ACTIVITIES | (53,84,656) | 19,81,932 |
| C CASH FLOWS FROM FINANCIAL ACTIVITIES | | |
| Proceeds from long term borrowings | (3,40,000) | 3,97,687 |
| Proceeds from short term borrowings | 26,94,490 | 1,03,87,143 |
| NET CASH FROM/USED IN FINANCING ACTIVITIES | 23,54,491 | 1,07,84,831 |
| Net increase/decrease in Cash and equivalents | (9,85,889) | (49,58,867) |
| Opening balance of Cash and Cash equivalents | 10,59,307 | 60,18,174 |
| Closing balance of Cash and Cash equivalents | 73,418 | 10,59,307 |
| Cash and cash Equivalents include | | |
| Cash in hand | 73,418 | 4,54,464 |
| Balance with Scheduled Bank | - | 6,04,843 |
| - In Current Account | - | - |
| - In Deposit Account | - | - |
| (held as Margin Money having original maturity of less than 12 months) | | |

As per Report of even date attached

For Shah & Bhandari
Chartered Accountants
FRN : 118852W

For & on Behalf of The Board
Axel Polymers Limited

sd/-
B.K.Bodhanwala
Chairman

sd/-
A.B.Bodhanwala
Managing Director

Yogesh Bhandari
Partner
M. No. : 46255

sd/-
Gaurav Thanky
CFO

sd/-
Shailesh Bharvad
Company Secretary

Dated : 30th May, 2017 At : Vadodara.

Note To Financial Statements

| Particulars | 31-03-2017 | | 31-03-2016 | |
|--|---------------|----------------------|---------------|----------------------|
| Note : 2.1 Share Capital | | | | |
| AUTHORISED SHARE CAPITAL : | | | | |
| 50,00,000 Equity Shares of ` 10/- each (P.Y.50,00,000 Equity Shares of ` 10/- each) | | <u>5,00,00,000</u> | | <u>5,00,00,000</u> |
| ISSUED ,SUBSCRIBED & PAID UP CAPITAL : | | | | |
| 43,00,000 EquityShares of ` 10 each fully paid up (P.Y. 43,00,000 Equity Shares of ` 10/-each) | | <u>4,30,00,000</u> | | <u>4,30,00,000</u> |
| | | <u>4,30,00,000</u> | | <u>4,30,00,000</u> |
| Reconciliation of the shares outstanding at the beginning and at the end of the reporting period: | | | | |
| Equity Shares with voting rights | No.of Shares | Amount Rs. | No.of Shares | Amount Rs. |
| Opening Balance | 4300000 | 4,30,00,000 | 4300000 | 4,30,00,000 |
| Add:Fresh Issue | 0 | 0 | 0 | 0 |
| Closing Balance | 4300000 | 4,30,00,000 | 4300000 | 4,30,00,000 |
| Shareholders holding exceeding 5% shares | No.of Shares | % | No.of Shares | % |
| Gaurav Thanky | 223867 | 5.21 | 199000 | 4.63 |
| Note : 2.2 Reserve & Surplus | | | | |
| Capital Investment Subsidy (From Government of Gujarat) | | 25,00,000 | | 25,00,000 |
| <u>Profit & Loss account</u> | | | | |
| As at Commencement of the Year | (3,54,02,730) | | (3,69,29,712) | |
| Add : Transferred from Profit & Loss Account | 20,06,314 | (3,33,96,416) | 15,26,982 | (3,54,02,730) |
| As at end of the Year | | <u>(3,08,96,416)</u> | | <u>(3,29,02,730)</u> |
| Note :2.3 Long-Term Borrowings | | | | |
| Unsecured Loans | | | | |
| Long Term Loans - Others | | | | |
| From Directors and Related Parties (Terms: Repayment is not stipulated, repayble after 12 months and Rate of Interest is 0-12%) | | 63,16,896 | | 66,56,896 |
| | | <u>63,16,896</u> | | <u>66,56,896</u> |
| Note: 2.4 Other Long term Liabilities | | | | |
| Security Deposits | | 4,78,75,000 | | 4,78,75,000 |
| (Interest Free Security deposits from firm/ Company in which KMP is interested) | | <u>4,78,75,000</u> | | <u>4,78,75,000</u> |

| Note 2.10 FIXED ASSETS | | | | | | | | | | | |
|--------------------------|--------------------|----------------|----------------|---------------------|---------------------|----------------|---------------------------|---------------------|---------------------|---------------------|--|
| PARTICULARS | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | | |
| | AS ON 01.4.2016 | ADD. | DED. | AS ON 31.03.2017 | AS ON 01.04.2016 | FOR THE YEAR | | AS ON 31.03.2017 | AS ON 31.03.2017 | AS ON 31.03.2016 | |
| | | | | | | Additions | Adjustments Refer note | | | | |
| FREE HOLD LAND | 2987286 | 0 | 0 | 2987286 | 0 | 0 | 0 | 0 | 2987286 | 2987286 | |
| BUILDING | 3453850 | 467471 | 0 | 3921321 | 1153287 | 56090 | | 1209377 | 2711944 | 2300563 | |
| FACTORY BUILDING | 18325911 | 1346968 | 0 | 19672879 | 7011055 | 612835 | | 7623890 | 12048989 | 11314856 | |
| PLANT & MACHINERY | 62030312 | 3310219 | 0 | 65340531 | 52956516 | 797815 | 0 | 53754331 | 11586200 | 9073796 | |
| ELECTRICAL INSTALLATIONS | 2626874 | 756883 | 0 | 3383757 | 2308750 | 71017 | 0 | 2379767 | 1003990 | 318124 | |
| LABORATORY EQUIPMENTS | 2591654 | 2556626 | 0 | 5148280 | 1452732 | 313570 | 0 | 1766302 | 3381978 | 1138922 | |
| FURNITURE & FIXTURES | 1541381 | 551687 | 0 | 2093068 | 1166280 | 132586 | 0 | 1298866 | 794202 | 375101 | |
| DATA PROCESSING MACHINES | 1511824 | 44440 | 0 | 1556264 | 1478706 | 18296 | 0 | 1497002 | 59262 | 33118 | |
| OFFICE EQUIPMENTS | 1292642 | 86150 | 0 | 1378792 | 1053414 | 64174 | 0 | 1117588 | 261204 | 239228 | |
| VEHICLES | 1500372 | 0 | 1209134 | 291238 | 1179809 | 63903 | 1133851 | 109861 | 181377 | 320563 | |
| GRAND TOTAL | 97862106 | 9120444 | 1209134 | 105773416 | 69760649 | 2130286 | 1133851 | 70756984 | 35016432 | 28101558 | |
| Previous Year Figures | 97976789 | 668508 | 783191 | 97862106 | 67690811 | 2462878 | 0 | 69760548 | 28101558 | 30285978 | |

Note To Financial Statements

| Particulars | 31-03-2017 | 31-03-2016 |
|--|--------------------|--------------------|
| Note : 2.5 Long Term Provisions | | |
| For Gratuity | 5,57,511 | 7,92,497 |
| | <u>5,57,511</u> | <u>7,92,497</u> |
| Note : 2.6 Short term borrowings | | |
| Secured Loans | | |
| Loan repayble on demand from Banks | | |
| Cash Credit | 5,05,62,019 | 4,78,67,529 |
| (Secured by Hypothication of Stock, Book-debts & Equitable Mortgage of Land & Building, Plant & Machinery & Personal Properties of Directors and Personal Guarantees of Directors carries interest rate @ 12.80% p.a.) | | |
| | <u>5,05,62,019</u> | <u>4,78,67,529</u> |
| Note : 2.7 Trade Payable | | |
| Trade payables for goods & services | 1,59,20,829 | 1,53,29,977 |
| Micro,Small and Medium Enterprises (Refer Note : 2.26(2)) | - | - |
| | <u>1,59,20,829</u> | <u>1,53,29,977</u> |
| Note : 2.8 Other Current Liabilities | | |
| Balance due to Government Authorities | 17,27,640 | 8,30,030 |
| Overdrawn Bank Balances | 55,075 | - |
| | <u>17,82,715</u> | <u>8,30,030</u> |
| Note :2.9 Short-Term Provisions | | |
| For Expenses | 13,28,308 | 14,17,542 |
| For Excise Duty | 10,91,368 | 4,25,129 |
| For Gratuity | 4,50,000 | - |
| | <u>28,69,676</u> | <u>18,42,671</u> |
| Note : 2.11 Deferred Tax Asset | | |
| Deferred Tax Asset on account of: | | |
| Expense on payment basis/Business | | |
| Loss and Unabsorbed Depreciation | 42,96,525 | 41,11,127 |
| Less:Deferred Tax Liability on account of : | | |
| Difference between book and tax written down values of fixed assets | 35,14,313 | 33,28,915 |
| (* The deferred tax asset is not recognised during the year and previous year , due to virtual certainty of future profit and has been restricted to such opening balance) | | |
| | <u>7,82,212</u> | <u>7,82,212</u> |

Note To Financial Statements

| Particulars | 31-03-2017 | 31-03-2016 |
|---|-------------|-------------|
| Note:2.12 Long-Term Loans & Advances | | |
| Unsecured Advances, Considered good | | |
| Deposits | 20,66,172 | 13,59,535 |
| Balance due with revenue authorities | 17,48,707 | 12,45,475 |
| Advances for capital items | 29,55,000 | 29,55,000 |
| Advance Tax (Net of provision) | 64,260 | 4,85,431 |
| | 68,34,138 | 60,45,440 |
| Note : 2.13 Inventories | | |
| (At lower of Cost or Net Realisable Value) | | |
| Raw Material | 4,19,96,432 | 3,33,82,805 |
| Work in Progress | 21,86,475 | 89,104 |
| Finished Goods | 98,22,311 | 38,26,160 |
| Consumables | 31,68,191 | 32,13,567 |
| | 5,71,73,409 | 4,05,11,636 |
| Note : 2.14 Trade Receivables | | |
| (a) Trade receivable outstanding for a period exceeding six months from the date they become due for payment | | |
| | 1,12,80,401 | 1,24,28,756 |
| (i)Unsecured considered Good | | |
| (ii) Doubtful | - | 24,85,752 |
| Less: Provision for doubtful debts | - | 24,85,752 |
| | 1,12,80,401 | 99,43,004 |
| (b)Trade receivable outstanding for a period less than six months from the date they become due for payment (Includes dues from firm/Company in which KMP is interested C.Y Rs. 154.47 & P.Y. Rs.291.52) | | |
| | 2,03,62,834 | 3,37,18,455 |
| | 3,16,43,235 | 4,36,61,459 |
| Note : 2.15 Cash & Bank Balance | | |
| Cash & Cash Equivalent | | |
| Cash in Hand | 73,418 | 4,54,464 |
| Balance with Banks in current account | - | 6,04,843 |
| Other Bank Balance | | |
| In Fixed Deposits | 36,51,500 | 52,76,800 |
| (held as Margin Money) | | |
| | 37,24,918 | 63,36,107 |
| Note : 2.16 Short Term Loans & Advances | | |
| Unsecured, Considered Good | | |
| Advance to Staff and Others | 20,52,975 | 21,27,975 |
| Balance with government authorities | 5,21,845 | 9,93,600 |
| Prepaid Expenses | 1,12,828 | 1,15,952 |
| | 26,87,648 | 32,37,527 |

Note To Financial Statements

| Particulars | 31-03-2017 | | 31-03-2016 | |
|---|---------------------|---------------------|---------------------|---------------------|
| Note: 2.17 Other Current Assets | | | | |
| Unsecured, Considered Good | | | | |
| Accrued Interest on Deposits | | 1,26,240 | | 24,81,860 |
| | | <u>1,26,240</u> | | <u>24,81,860</u> |
| Note : 2.18 Revenue from Operation | | | | |
| Sale of Products | 22,80,46,476 | | 18,15,27,939 | |
| Sale of Services | 1,62,46,816 | | 2,20,36,068 | |
| Less : Excise Duty | 2,48,78,880 | | 1,82,59,201 | |
| | | <u>21,94,14,412</u> | | <u>18,53,04,806</u> |
| Sales of Major Products | | | | |
| Sales of PA-6 / 66 | 62,817,150 | | 3,23,59,235 | |
| Sales of PBT/PET | 27,421,436 | | 1,83,31,307 | |
| Sales of PC | 32,490,884 | | 1,79,41,820 | |
| Sales of PP | 2,721,656 | | 26,85,754 | |
| Sales of PPE | 98,280,628 | | 6,74,12,664 | |
| Sales of Other Products | 4,314,722 | | 4,27,97,159 | |
| | <u>228,046,476</u> | | <u>181,527,939</u> | |
| Note : 2.19 Other Incomes | | | | |
| Interest Income | | 16,11,417 | | 4,70,877 |
| Profit from sale of Fixed assets | | 2,89,717 | | - |
| Foreign Exchange gain | | 8,36,029 | | - |
| Miscellaneous Income | | - | | 3,31,155 |
| | | <u>27,37,162.50</u> | | <u>8,02,032.37</u> |
| Note: 2.20 Cost of Materials Consumed | | | | |
| Raw Material Consumed | | | | |
| Opening Stock | | 3,33,82,805 | | 3,88,06,318 |
| Purchases | | 18,32,29,507 | | 12,73,74,282 |
| | | 21,66,12,312 | | 16,61,80,600 |
| Less : Closing Stock | | 4,19,96,432 | | 3,33,82,805 |
| Raw Material Consumed | | 17,46,15,880 | | 13,27,97,795 |
| Details of Imported and Indigenous RM Purchases % | | Percentage(%) | Amount Rs. | Percentage(%) |
| Imported | 6,07,14,143 | 34.77 | 6,10,99,759 | 46.01 |
| Indigenous | 11,39,01,737 | 65.23 | 7,16,98,036 | 53.99 |
| Total... | 17,46,15,880 | 100.00 | 13,27,97,795 | 100.00 |
| Major items of Raw material consumption | | | | |
| Polyamide -6/66 | 3,75,42,560 | | 2,02,10,258 | |
| Polycarbonate | 2,42,47,234 | | 1,37,36,675 | |
| Other Polymers | 66,74,186 | | 1,10,94,355 | |
| Propylene | 18,35,682 | | 16,81,587 | |
| PBT | 86,27,032 | | 73,62,238 | |
| PPE | 2,88,80,253 | | 2,70,51,697 | |
| HIPS | 3,54,28,212 | | 2,02,56,280 | |
| Others | 3,13,80,721 | | 3,14,04,705 | |
| | <u>17,46,15,880</u> | | <u>13,27,97,795</u> | |

Note To Financial Statements

| Particulars | 31-03-2017 | 31-03-2016 |
|---|--------------------|--------------------|
| Note: 2.21 Purchase of Stock in Trade | | |
| Purchase- TPU | 21,99,568 | 1,14,20,388 |
| | <u>21,99,568</u> | <u>1,14,20,388</u> |
| Note :2.22 Changes in inventory of finished goods & work-in-progress | | |
| Closing Stock of : | | |
| Finished Goods of Compounds of Engg.Polymers | 98,22,311 | 38,26,160 |
| Work in Progress | 21,86,475 | 89,104 |
| Total (A) | <u>1,20,08,786</u> | <u>39,15,264</u> |
| Opening Stock of : | | |
| Finished Goods of Compounds of Engg.Polymers | 38,26,160 | 24,23,720 |
| Work in Progress | 89,104 | 10,35,149 |
| Total (B) | <u>39,15,264</u> | <u>34,58,869</u> |
| (Increase)/Decrease in Stock (A-B) | (80,93,522) | (4,56,395) |
| Less : Excise duty related to the difference between closing stock & opening stock of finished goods (Refer Note no. 2.26(8)) | 6,66,239 | 1,55,827 |
| | <u>(74,27,283)</u> | <u>(3,00,568)</u> |
| Note : 2.23 Employees benefits | | |
| Salary, Wages, Allowances & other benefits | 1,03,92,493 | 77,71,202 |
| Contribution to Provident fund and other funds | 5,93,778 | 3,51,408 |
| Staff Welfare Expenses | 76,653 | 48,780 |
| | <u>1,10,62,924</u> | <u>81,71,390</u> |
| Note : 2.24 Financial Cost | | |
| Interest to Bank | 69,83,878 | 53,74,350 |
| Interest to Others | 95,837 | 6,84,937 |
| Net (gain)/loss on Foreign currency Loans | (2,78,910) | - |
| Bank charges | 25,14,901 | 23,60,639 |
| | <u>93,15,706</u> | <u>84,19,926</u> |

Note To Financial Statements

| Particulars | 31-03-2017 | | 31-03-2016 | |
|---|------------|--------------------|------------|--------------------|
| Note : 2.25 Other Expenses | | | | |
| Manufacturing Expenses | | | | |
| Power & Fuel | | 81,30,523 | | 90,07,523 |
| Repairs & Maintainance to Plant & Machinery | | 4,38,440 | | 5,47,931 |
| Factory Expense | | 98,001 | | 2,04,588 |
| Administrative & Others Expenses | | | | |
| Clearing, Forwarding & Freight Charges | | 57,70,817 | | 30,46,945 |
| Consumption of Store & Spares | | 16,31,181 | | 27,70,082 |
| Foreign Exchange Fluctuation Loss(Net) | | - | | 60,437 |
| Insurance | | 2,28,422 | | 2,14,999 |
| Loss on sale of fixed Asset | | - | | 30,050 |
| Payment to Auditor: | | | | |
| For Audit Fee | | 2,25,000 | | 1,71,000 |
| Bad debts/ Provision for Bad Debts* | | 61,59,385 | | 24,85,752 |
| Rates & Taxes | | 9,656 | | 62,801 |
| Repairs & Maintenance to Others | | 3,24,750 | | 2,70,698 |
| Misc. Expenses | | 48,32,559 | | 27,35,242 |
| | | <u>2,78,48,733</u> | | <u>2,16,08,047</u> |

NOTE 1

1. SIGNIFICANT ACCOUNTING POLICIES

1.1. Basis of preparation of financial statements

The financial statement of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provision of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable.

These Financial statements are prepared under historical cost conventions on accrual.

1.2. Use of estimates

The preparation of financial statement requires management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and reported.

1.3. Inventories

Inventories are Valued at lower of cost or net realizable value. Valuation is ascertained on following basis.

- a. Raw materials, stores, spares and consumables on FIFO basis.
- b. Semi-finished goods and finished goods, cost includes direct material and labour and proportion of manufacturing overheads on FIFO basis. Cost of finished goods includes excise duty.

1.4. Cash and Cash Equivalents:

The cash flow statements is prepared by the "Indirect Method" set out in Accounting Standard 3 on "Cash Flow Statement" and presents the cash flow by Operating, Investing & Financing activities of the company.

Cash and Cash Equivalents for the purpose of Cash Flow Statement comprise cash at bank and in hand and short term Investment with the Original Maturity of 3 months or less.

1.5. Fixed assets and depreciation

Fixed assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until fixed assets are ready for use. Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

The depreciation during the year has been provided on straight line basis as per Schedule II of the Companies act 2013 since the acquisition of respective fixed assets. The depreciation on fixed assets is provided on the straight line method considering the useful life and residual value of respective fixed asset.

1.6. Revenue recognition:

- a) Revenue from sale of goods is recognised when significant risks and rewards of ownership have been passed to the buyer and when the effective control of the seller as the owner is lost. Revenues are recorded at invoice value, net of value added tax and excise.
- b) Interest income is recognized on time proportion basis.
- c) Dividend income is recognised when the right to receive payment is established.
- d) Job work income is recognised on completion of job.

1.7 Foreign currency transactions

Exchange differences

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at year end exchange rates.

- a) Exchange differences arising on settlement of transactions and translation of monetary items other than those covered by (2) below are recognized as income or expense in the year in which they arise. Exchange differences considered as borrowing cost are capitalized to the extent these relate to the acquisition / construction of qualifying assets and the balance amount is recognized in the Profit and Loss Statement.
- b) Exchange differences relating to long term foreign currency monetary assets / liabilities are accounted for with effect from April 1, 2007 in the following manner:
 - Differences relating to borrowings attributable to the acquisition of the Depreciable capital asset are added to / deducted from the cost of such capital Assets.

1.8. Employee Benefits

- a) The Company's contribution in respect of provident fund is charged to Profit and Loss Account each year
- b) With respect to gratuity liability, Company contributes to Life Insurance Corporation of India (LIC) under LIC's Group Gratuity policy. Gratuity liability as determined on actuarial basis by the independent valuer is charged to Profit and Loss Account.

1.9. Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset should be capitalised as part of the cost of that asset. The amount of borrowing costs eligible for capitalisation should be determined in accordance with this Standard. Other borrowing costs should be recognised as an expense in the period in which they are incurred

To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation on that asset should be determined as the actual borrowing costs incurred on that Borrowing during the period less any income on the temporary investment of those borrowings.

1.10. Segment disclosures:

The company operates in a single business segment, i.e. of manufacturing of compounds, blends & alloys of Engineering Polymers; and also no geographical segments as company operates only in India. Accordingly, no separate disclosures required by AS-17 for primary business segment and geographical segment.

1.11. Lease:-

Finance Leases

Assets acquired under lease where the company has substantially all the risk and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of lease at lower of the fair value and present value of minimum lease payments. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Operating Leases

Assets acquired as leases where a significant portion of risks and rewards of ownership are retained by the lessor are classified as operating lease. Operating lease charges are recognised in the Profit and Loss account on a straight line basis over the lease term.

1.12. Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with the Accounting Standard – 20-' Earning per Share' prescribed by the Companies (Accounting Standard) Rules 2006. Basic Earning per Share is computed by dividing the net profit or loss for the year by the weighted average number of Equity Share outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity share.

1.13. Taxes on Income

Provision for taxation comprises of Current Tax and Deferred Tax .Current tax has provision has been made the basis of reliefs and deduction available under Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax assets is recognized and carried forward only to the extent the assets can be realized in future. However, where there is unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each Balance sheet date.

1.14. Impairment of Assets:-

The Company tests for impairments at the close of the accounting period if and only if there are indications that suggest a possible reduction in the recoverable value of an asset. If the recoverable value amount of an Asset, i.e. the net realisable value or the economic value in use of a cash generating unit, is lower than the carrying amount of the Asset the difference is provided for as impairment. However, if subsequently the position reverses and the recoverable amount become higher than the then carrying value the provision to the extent of the then difference is reversed, but not higher than the amount provided for.

1.15. Provisions, Contingent Liabilities and Contingent Assets:-

Provision is recognized only when there is a present obligation as a result of past events and when reliable estimates of the amount of the obligation can be made. Contingent liability is disclosed for:-

- a) Possible Obligations which will be confirmed only by future events not wholly within the control of the company or
- b) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or reliable estimates of the amount of the obligation cannot be made. Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

2. 26 NOTES TO THE ACCOUNTS:

1. Contingent Liability:

| Particulars | Rs. In lacs | |
|-----------------------------|-----------------|-----------------|
| | As at 31/3/2017 | As at 31/3/2016 |
| Income Tax Demand -TDS /TAX | 10.13 | 10.83 |

2. The company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium enterprise development Act 2006 and hence disclosures, if any relating to amounts unpaid as at year end together with interest payable as required under the said Act have not been given.
3. Disclosure of related party transaction as required by Accounting Standard – 18 issued by the Institute of Chartered Accountants of India:

Key Management Personnel and their relatives as on 31.03.2017 are as under:

| Relationship | Name |
|---|-----------------------------|
| Whole-time Director | Mr B.K. Bodhanwala |
| Managing Director | Mr A.B. Bodhanwala |
| Non-Executive Director | Dr M.A. Bodhanwala |
| Director & CFO (KMP) | Mr. Gaurav Thanky |
| Company in which KMP is interested | Dhara Petrochemicals P. Ltd |
| Firm in which KMP is substantially interested | V R Industries |

Note: Related parties and these relationships are as identified by Management and relied upon by the auditors.

Transactions with Key Personnel during the year:

| Particulars | Nature of Payment | Rs. In lacs | |
|------------------------------|-------------------------|-------------|---------|
| | | 2016-17 | 2015-16 |
| B.K. Bodhanwala | Managerial Remuneration | 3.00 | 3.00 |
| | Loan Repaid | Nil | 1.50 |
| | Guarantees given | 900.00 | 900.00 |
| A.B. Bodhanwala | Managerial Remuneration | 15.00 | 15.00 |
| | Loan received | Nil | 8.11 |
| | Loan repaid | 1.00 | 1.85 |
| | Guarantees given | 900.00 | 900.00 |
| | Interest | Nil | 3.75 |
| M.A. Bodhanwala | Guarantees Given | 900.00 | 900.00 |
| Gaurav Thanky | Managerial Remuneration | 12.00 | 12.00 |
| | Guarantees given | 900.00 | 900.00 |
| Dhara Petrochemicals Pvt Ltd | Purchase of goods | 1160.86 | 1145.92 |
| | Sales of goods | 1383.47 | 1231.71 |
| | Security deposit | 357.64 | 357.64 |
| V.R. Industries | Purchase of goods | 156.85 | 120.03 |
| | Sales of goods | 674.94 | 561.06 |
| | Security deposit | 121.11 | 121.11 |

4. CIF VALUE OF IMPORTS

| PARTICULARS | 2016-17 | 2015-16 |
|----------------------|-------------|-------------|
| CIF Value of Imports | 5,74,57,693 | 5,87,65,197 |

5. EXPENDITURE/ EARNINGS IN FOREIGN CURRENCY: NIL (P.Y.Nil)

6. The disclosure as required under AS 15 regarding Gratuity Plan is as under

| Table showing changes in present value of obligation on | 31.03.2017 | 31.03.2016 |
|--|-------------------|-------------------|
| Present value of obligation at beginning of year | 834083 | 742444 |
| Interest cost | 66727 | 59396 |
| Current Service cost | 84075 | 72747 |
| Benefit paid | - | - |
| Actuarial (gain) / loss on obligation | 326835 | -40504 |
| Present value of obligation at end of year | 1311720 | 834083 |
| Table showing changes in the fair value of plan assets on | 31.03.2017 | 31.03.2016 |
| Fair value of Plan Asset at beginning of year | 155677.45 | 54535.46 |
| Expected Return on Plan Asset | 12623.32 | 7604.10 |
| Contributions | 242664.45 | 93537.89 |
| Benefit paid | - | - |
| Actuarial gain / loss on Plan Asset | NIL | NIL |
| Fair value of Plan Asset at end of year | 410965.22 | 155677.45 |
| Table showing fair value of plan assets | | |
| Fair Value of Plan Assets at beginning of year | 155677.45 | 54535.46 |
| Actual return on Plan Assets | 12623.32 | 7604.10 |
| Contributions | 242664.45 | 93537.89 |
| Benefits paid | - | - |
| Fair Value of Plan Assets at end of period | 410965.22 | 155677.45 |
| Fund Status | (900754.78) | (678405.55) |
| Excess actual / estimated return on plan asset | NIL | NIL |
| Actuarial Gain / Loss recognized | 31.03.2017 | 31.03.2016 |
| Actuarial (gain) / loss on obligation | (326835) | 40504 |
| Actuarial (gain) / loss for the year-plan asset | NIL | NIL |
| Actuarial (gain) / loss recognised in the year | 326835.00 | -40504 |
| Present value of obligation at end of year | 1311720.00 | 834083 |
| Fair value of Plan asset as at end of the year | 410965.22 | 155677.45 |
| Funded Status | (900754.78) | (678405) |
| Net Asset / (Liability) recognised In Balance Sheet | (900754.78) | (678405) |
| Expenses Recognised in statement of Profit and loss | 31.03.2017 | 31.03.2016 |
| Current Service cost | 84075 | 72747 |
| Interest cost | 66727 | 59396 |
| Expected return on plan asset | (12623) | -7604 |
| Net Actuarial (gain) / loss recognised in the year | 326835 | -40504 |
| Expense recognised in Statement of Profit & Loss | 465014 | 84035 |

Axel Polymers Limited

| ASSUMPTIONS | 31.03.2017 | 31.03.2016 |
|-------------------|------------|------------|
| Discount Rate | 8.00% | 8.00% |
| Salary Escalation | 7.00% | 7.00% |

7. Details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016 as per MCA Notification No. G.S.R. 307(E) dated March 30, 2017.

| | SBN'S | Other denomination notes | Total |
|--|---------|-----------------------------|------------|
| Closing Cash in Hand as on 08.11.2016 | 2200000 | 5096.45 | 2205096.45 |
| (+) Permitted Receipts | - | 243000.00 | 243000.00 |
| (-) Permitted Payments | - | 163690.00 | 163690.00 |
| (-) Amount deposited in Banks | 2200000 | - | 2200000.00 |
| Closing Cash in Hand as on 30.12.2016 | - | 84406.45 | 84406.45 |

8. Excise Duty shown under 'Changes in inventory of finished goods & WIP' (note 2.21) represents the aggregate of excise duty borne by the Company and difference between excise duty on opening and closing stocks of finished goods.
9. Previous year's figures have been regrouped, rearranged or recast wherever necessary.

As per our Report of even date
For Shah & Bhandari
 Chartered Accountants
 FRN : 118852W

Yogesh Bhandari
 Partner
 M. No. : 46255

sd/-
 B.K.Bodhanwala
 Chairman

sd/-
 Gaurav Thanky
 CFO

**For & on Behalf of The Board
 Axel Polymers Limited**

sd/-
 A.B.Bodhanwala
 Managing Director

sd/-
 Shailesh Bhavvad
 Company Secretary

Dated : 30th May, 2017 At : Vadodara.

FORM NO. MGT-11
PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the company : AXEL POLYMERS LIMITED CIN: L25200GJ1992PLC017678
Registered office: 309, Mokshi, Sankarda-Savli Road, Phone : +91 2667 244395
 Tal Savli, Vadodara 391780 Email : cs@axelindia.com

| | |
|--------------------------|---|
| Name of the member (s) : | : |
| Registered Address | : |
| E-mail Id | : |
| Folio No/ Client Id | : |
| DP ID | : |

I/We, being the holder(s) of shares of the above named company, hereby appoint

1. Name :
Address :
E-mail Id :
Signature :, or failing him

2. Name :
Address :
E-mail Id :
Signature :, or failing him

1. Name :
Address :
E-mail Id :
Signature :, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **25th Annual General Meeting** of the Company, to be held on Thursday, the 14th September, 2017 at 9.00 a.m. at 309, Mokshi, Sankarda-Savli Road, Tal. Savli, Dist. Vadodara-391780, Gujarat and at any adjournment thereof in respect of such Resolutions as are indicated below:

Axel Polymers Limited

| Sr. No. | Resolution | For | Against |
|---------|---|-----|---------|
| | Ordinary Business: | | |
| 01 | To receive, consider and adopt the Audited Financial Statements for the year ended on 31.03.2017 together with the Reports of the Auditors' and Board's thereon. | | |
| 02 | To appoint a Director in place of Mr. B.K. Bodhanwala, who retires by rotation and being eligible offers himself for re-appointment. | | |
| 03 | To appoint M/s Mukund & Rohit, Chartered Accountants, as Statutory Auditors of the Company for a period of 5 years from the conclusion of 25th Annual General Meeting till the conclusion of 30th Annual General Meeting of the Company, subject to ratification by the members at every intervening Annual General Meeting held after 25th Annual General Meeting and to fix their Remuneration. | | |
| | Special Business | | |
| 04 | Alteration of Share Capital by way of increase in Authorised Share Capital | | |
| 05 | Appointment of and Remuneration payable to Mr. Gaurav S. Thanky (DIN:02565340) as a Managing Director | | |
| 06 | Appointment of and Remuneration payable to Mr. A. B. Bodhanwala (DIN:00421362) as Director & CFO | | |
| 07 | Approval to Related Party Transactions | | |

Signed this..... day of..... 2017

Affix
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



If undelivered please return to :

Axel Polymers Limited

S. No.309, Vill. Mokshi

Sankarda - Savli Road

Taluka Savli, Dist. Vadodara-391 780

Gujarat, India.