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**17<sup>th</sup>**

**ANNUAL REPORT  
2008 - 2009**

**Axel Polymers Limited**

**ISO 9001:2000**



## Axel Polymers Limited

### NOTICE

Notice is hereby given that the **SEVENTEENTH ANNUAL GENERAL MEETING** of the members of the Company shall be held at 9.00 A.M. on Saturday 26<sup>th</sup> September 2009 at S. No. 309, Vill. Mokshi, Tal. Savli, Dist. Vadodara. to transact the following business

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Annual Accounts for the financial year ended on 31<sup>st</sup> March, 2009 and the Report of the Directors and Auditors thereon.
2. To appoint Director in place of Dr. M.A. Bodhanwala who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint Director in place of Mr. B.K. Bodhanwala who retires by rotation and being eligible, offers himself for reappointment
4. To consider and if thought fit, to pass the following Resolution with or without modification(s) as an Ordinary Resolution:

RESOLVED THAT M/s Shah & Bhandari, Chartered Accountants, Vadodara, the retiring Auditors be and are hereby reappointed as the Auditors of the Company to hold office from the conclusion of this Annual general Meeting till the conclusion of the next Annual general Meeting of the Company, and the Board of Directors be and are hereby authorised to fix their remuneration for the said period.

#### SPECIAL BUSINESS

5. To consider and if thought fit, to pass the following Resolution with or without modification(s) as an Ordinary Resolution:

RESOLVED THAT Mr. Ghanshyam M. Patel who was appointed as an Additional Director of the Company by the Board and whose term of office as an additional Director, pursuant to Section 260 of the Companies Act, 1956 expires at this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a member in Compliance of Section 257 of the Companies Act, 1956 proposing his candidature in the office of Director be and is hereby appointed as a Director of the Company who shall be liable to retire by rotation.

Regd. Office:  
S. No. 309, Village Mokshi  
Taluka Savli, Dist. Vadodara  
Place: Mokshi  
Dated: 08.08.2009

By Order of the Board of Directors

B.K. Bodhanwala  
Chairman



## Axel Polymers Limited

### NOTES

- A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member. Proxies in order to be effective must be received by the Company, not less than 48 hours before the commencement of the meeting.
- The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2009 to 26.09.2009 (both days inclusive).
- Members are requested to intimate the change in their address, if any.
- Relevancy of the Question and the order of speaking at the meeting will be decided by the Chairman.
- All documents referred to in the Notice are open for inspection at the Registered Office of the Company during Office hours on all working days except between 11.00 AM to 1.00 PM up to the date of Seventeenth Annual General Meeting.
- Please bring the 17<sup>th</sup> Annual Report and Accounts (2008 – 2009)

### INFORMATION OF THE APPOINTEES

#### item no. 2

You are aware that the contributions made by Dr. M.A. Bodhanwala have made valuable contributions to the Company. She is liable by rotation and she has offered her reappointment as a Director. Your Directors in their meeting held on 08.08.2009 have approved the reappointment of Dr. M.A. Bodhanwala in accordance with the Provisions of the Companies Act, 1956.

#### item no. 3

Mr. B.K. Bodhanwala is a person with a vast experience of over 60 years at various levels of management. You are also aware that Mr. B.K. Bodhanwala has made valuable contributions to the Company. He has held the reigns of the Company since the year 2000. Ever since then, the Company has seen remarkable growth and higher prospects. He is liable to retire by rotation and he has offered his reappointment as a Director in light of the above, your Directors in their meeting held on 08.08.2009 have approved the reappointment of Mr. B.K. Bodhanwala in accordance with the Provisions of the Companies Act, 1956.

#### item no. 5

Mr. Ghanshyam Patel is a young businessman. He is Commerce Graduate from Baroda and is involved in many activities. His Business are Cinema Houses & Construction activities. He is a well known name in the society. Your Directors feel that his presence on the Board shall make a positive impact on the Company and its business. In view of the above, your Directors in their meeting held on 08.08.2009 have approved the reappointment of Mr. Ghanshyam Patel in accordance with the Provisions of the Companies Act, 1956.



## Axel Polymers Limited

### BOARD OF DIRECTORS

|                    |  |
|--------------------|--|
| Mr. B.K.Bodhanwala | Chairman (Whole time - Executive)      |
| Mr. A.B.Bodhanwala | Managing Director                      |
| Dr. M.A.Bodhanwala | Director (Non - Executive)             |
| Mr. A.G.Thakore    | Director (Independent – Non-Executive) |
| Mr. B.B.Patel      | Director (Independent – Non-Executive) |
| Mr. G.M.Patel      | Director (Independent – Non-Executive) |

### AUDITORS

MANISH SHAH & ASSOCIATES  
Chartered Accountants

### COMPANY LAW ADVISOR

D.PATHAK & ASSOCIATES  
Practicing Company Secretaries

### REGISTRARS

LINK INTIME INDIA PVT. LTD.  
308, Jaldhara Complex, Opp. Manisha Society,  
Off Old Padra Road, Vadodara 390 015

### BANKERS

BANK OF BARODA

FOR AXEL POLYMERS LIMITED

### REGISTERED OFFICE & WORKS

S. No.309, VILL. MOKSHI  
SANKARDA - SAVLI ROAD  
TALUKA SAVLI, DIST. VADODARA 391 780  
GUJARAT INDIA

MANAGING DIRECTOR

**SECRETARIAL AUDIT**

As directed by SEBI, Secretarial Audit is being carried out at the specified periodicity by the Statutory Auditors. The findings of the Audit were entirely satisfactory.

**ISO CERTIFICATION**

Company has maintained the ISO 9001-2000 Certification.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to requirement under Section 217(2AA) of the Companies act, 1956, it is hereby confirmed that:

In the preparation of the annual accounts for the financial year ended March 31, 2009, the applicable accounting standards have been followed along with proper explanations relating to material departures.

The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit for the year under review.

The Directors have taken sufficient and proper care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

The Directors had prepared the Annual Accounts on a going concern basis.

**AUDITORS**

M/s Manish Shah & Associates, Chartered Accountants, Baroda, the present Auditors retire at the conclusion of the ensuing Annual General Meeting. However they have expressed their inability to continue as Auditors due to their other pre-occupation. The Company has received their letter of resignation.

Your Directors' have proposed to appoint M/s Shah & Bhandari, Chartered Accountants having their office at Vadodara. The Audit Committee of the Board has recommended their reappointment. The necessary Resolution is being placed before the Shareholders for approval.

**AUDITORS' REPORT**

With reference to the Auditors' Report, the Notes to the Account are self explanatory and therefore do not call for any further comments under section 217 (3) of the Companies Act, 1956.



## Axel Polymers Limited

### **DIRECTORS**

#### **Appointment**

In compliance of amended Clause 49 of the Listing Agreement with the Stock Exchanges, your Directors have appointed Mr. G M Patel as Additional Independent Director - non-executive at their meeting held on 08.08.2009 whose terms of Office expires at this Annual General Meeting. Your Directors recommend his appointment.

#### **Reappointment**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Dr. M. A. Bodhanwala retire by rotation at the ensuing Annual general Meeting of the Company and being eligible, offer herself for reappointment. Your Directors recommend her reappointment.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. B.K. Bodhanwala retire by rotation at the ensuing Annual general Meeting of the Company and being eligible, offer himself for reappointment. Your Directors recommend his reappointment.

#### **Resignation**

Mr. S.F. Ilavia, who has been on our Board since 3 years has tendered his resignation due to his other pre-occupations, in December 2008. Your Directors have accepted his resignation.

### **FIXED DEPOSITS**

The company did not invite / accept / renew any fixed deposits during the year under review.

### **DIVIDEND**

Your Directors do not recommend any Dividend in the current year in view of brought forward losses.

### **INSURANCE**

All the Assets of the Company are adequately insured against Fire, Floods, Riots and natural calamities.

### **TAXATION**

#### **DEFERRED TAX**

Pursuant to the provisions of Sec. 43B of the Income Tax Act, 1961 the Company is required to provide for Deferred Tax Liability. As per the revised provisions of Sec. 43B, the deferred tax liability for the year has reduced and the same is adjusted in the Profit & Loss Account.



## Annexure I

**CORPORATE GOVERNANCE REPORT**

Pursuant to Clause 49 of the Listing Agreement

Since inception your Company has been committed to the practice of good corporate governance, pursuant to Clause 49 of the Listing agreement. A detailed report on compliance by the Company is given below :

**COMPANY'S PHILOSOPHY**

The Company believes that good corporate governance practices enable the management to direct and control the affairs of the Company in an efficient manner and to achieve the goal of achieving excellence aimed at maximising value for all shareholders and understands the right to information of its shareholders with respect to the performance of the Company.

Company will continue to focus its resources, strengths and strategies to achieve its vision of widening its customer base, while upholding the core values of transparencies, integrity, honesty and accountability, which are fundamentals.

**BOARD OF DIRECTORS**

Existing Composition of the Board of Directors of the Company comprise of a fair number of professionally competent and acclaimed Directors as on 31.03.2009.

None of the Directors on the Board is a member of more than 10 Committees or Chairperson of more than 5 Committees, as specified in Clause 49.

The details of the Directors on Board, their attendance at Board meetings held during the year and the last AGM is as under:

| NAME               | CATEGORY                  | BOARD MEETINGS ATTENDED | WHETHER ATTENDED LAST AGM | OTHER DIRECTORSHIP |
|--------------------|---------------------------|-------------------------|---------------------------|--------------------|
| Mr. B.K.Bodhanwala | Chairman Executive        | 8                       | YES                       | NONE               |
| Mr. A.B.Bodhanwala | Managing Director         | 8                       | YES                       | NONE               |
| Dr. M.A.Bodhanwala | Director Non-Executive    | 8                       | YES                       | NONE               |
| Mr. A.G.Thakore    | Independent Non Executive | 5                       | YES                       | ONE                |
| Mr. B.B.Patel      | Independent Non Executive | 6                       | YES                       | NONE               |
| Mr. S.F.Illavia *  | Independent Non Executive | 1                       | NO                        | NONE               |
| Mr. G.M.Patel #    | Independent Non Executive | 1                       | NO                        | NONE               |

\* Resigned on 27.12.2008

# Appointed on 21.03.2009



## Axel Polymers Limited

11. Based on our audit procedures and on the information and explanation given to us, we are of the opinion that the company has not defaulted in repayment of its dues to the banks. The company has not issued any debentures.
12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The clause (xiii) of the order is not applicable to the company, as the company is not a chit fund company or nidhi / mutual benefit fund/ society.
14. According to the information and explanations given to us the company is not dealing or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us the company has not given any guarantee for loans taken by others from bank or financial institutions.
16. According to the information and explanations given to us, the term loans were applied for the purpose for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
18. The company has not made any allotment of shares hence clause (xviii) of the order is not applicable.
19. The company has not issued any debentures hence clause (xix) of the order is not applicable.
20. The company has not raised any money by public issues hence clause (xx) of the order is not applicable.
21. To the best of our knowledge and belief and according to information and explanation given to us no fraud on or by the company has been noticed or reported during the year under report.

For MANISH SHAH & ASSOCIATES  
Chartered Accountants

Place Vadodara  
Dated 08.08.2009

MANISH SHAH  
Proprietor



# Axel Polymers Limited

## BALANCE SHEET AS AT 31st MARCH 2009

(Amount Rs.)

| PARTICULARS  | SCHEDULE | ASAT<br>31-3-2009 | ASAT<br>31-3-2008 |
|--|----------|-------------------|-------------------|
| <b>SOURCES OF FUNDS</b>  |          |                   |                   |
| <b>SHARE HOLDERS FUNDS</b>   |          |                   |                   |
| Share Capital  | 1        | 43000000          | 43000000          |
| Reserve & Surplus  | 2        | 2500000           | 2500000           |
| <b>LOAN FUNDS</b>  |          |                   |                   |
| Secured Loans  | 3        | 27399389          | 30332305          |
| Unsecured Loans  | 4        | 3161398           | 2280688           |
| DEFERRED TAX LIABILITY   |          | 1183484           | 4802975           |
| <b>TOTAL...</b>  |          | <u>77244271</u>   | <u>82915968</u>   |
| <b>APPLICATION OF FUNDS</b>  |          |                   |                   |
| <b>FIXED ASSETS</b>  | 5        |                   |                   |
| a. Gross Block   |          | 96245117          | 94308134          |
| b. Less : Depreciation   |          | 38455035          | 34702708          |
| c. Net Block   |          | <u>57790082</u>   | <u>59605426</u>   |
| <b>CURRENT ASSETS LOANS &amp; ADVANCES</b>                               |          |                   |                   |
| a. Sundry Debtors  | 6        | 2272229           | 7718073           |
| b. Cash & Bank Balances  | 7        | 1884525           | 494545            |
| c. Loans & Advances  | 8        | 3023120           | 3866276           |
| d. Deposits & Other Current Assets                                       | 9        | 1920736           | 3525837           |
|  |          | 9100610           | 15604731          |
| LESS: CURRENT LIABILITIES AND PROVISIONS                                 | 10       | 5199060           | 4718131           |
| <b>NET CURRENT ASSETS</b>  |          | <u>3901550</u>    | <u>10886600</u>   |
| MISCELLANEOUS EXPENDITURE<br>(to the extent not written off or adjusted) | 11       | 15552638          | 12423942          |
| <b>TOTAL...</b>  |          | <u>77244271</u>   | <u>82915968</u>   |
| NOTES TO THE ACCOUNTS  | 15       |                   |                   |
| As per our Report of even date   |          |                   |                   |

**FOR MANISH SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD**

MANISH SHAH  
PROPRIETOR

B.K.BODHANWALA  
CHAIRMAN

A.B.BODHANWALA  
MANAGING DIRECTOR

PLACE : BARODA  
DATED : 08.08.2009

PLACE : MOKSHI  
DATED : 08.08.2009



## Axcel Polymers Limited

### PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2009 (Amount Rs.)

| PARTICULARS                                   | SCHEDULE | AS AT<br>31-3-2009 | AS AT<br>31-3-2008 |
|---|----------|--------------------|--------------------|
| <b>INCOME</b>                                 |          |                    |                    |
| a. Sales                                      |          | 256212524          | 428383518          |
| b. Other Income                               | 12       | 187779             | 219606             |
| <b>TOTAL...</b>                               |          | <u>256400303</u>   | <u>428603124</u>   |
| <b>EXPENDITURE</b>                            |          |                    |                    |
| a. Raw Material Consumed                      |          | 241758694          | 385271673          |
| b. Employees Cost                             |          | 5717259            | 6376933            |
| c. Manufacturing Expenses                     | 13       | 4891928            | 11177340           |
| d. Administrative & Other Expenses            | 14       | 3256433            | 7651141            |
| e. Interest & Finance Charges                 |          | 2991156            | 3619621            |
| f. Write off of Miscellaneous Expenditure     |          | 0                  | 37618              |
| g. Depreciation                               | 5        | 4458123            | 4214182            |
|   |          | <u>263073594</u>   | <u>418348508</u>   |
| 3. Profit / Loss before Tax                   |          | -6673291           | 10254616           |
| 4. Provision for Taxation                     |          |                    |                    |
| - Current Tax                                 |          | 0                  | 818449             |
| - Deffered Tax                                |          | -3619491           | -2839152           |
| - Fringe Benefit Tax                          |          | 74896              | 143000             |
| 5. Profit / Loss after Tax                    |          | -3128696           | 12132319           |
| 6. Add / Less : Prior Period Adjustments      |          | 0                  | 222583             |
| 7. Net Profit / Loss after Adjustments        |          | -3128696           | 11909736           |
| 8. Balance brought forward from Previous Year |          | -12423942          | -24333678          |
| 9. Balance carried to Balance Sheet           |          | <u>-15552638</u>   | <u>-12423942</u>   |

NOTES TO THE ACCOUNTS 15  
As per our Report of even date

**FOR MANISH SHAH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD**

MANISH SHAH  
PROPRIETOR

B.K.BODHANWALA  
CHAIRMAN

A.B.BODHANWALA  
MANAGING DIRECTOR

PLACE : BARODA  
DATED : 08.08.2009

PLACE : MOKSHI  
DATED : 08.08.2009