

19

ANNUAL ACCOUNTS

2010 - 2011

AXEL POLYMERS LIMITED

ISO 9001:2008

REGISTERED OFFICE & WORKS

S. No 309, Vill. Mokshi, Sankarda – Savli Road Tal. Savli Dist. Vadodara 391 780

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)

Mr. Soham Mehta Executive Director – SBU Polymers

AUDITORS

SHAH & BHANDARI
Chartered Accountants

COMPANY LAW ADVISOR

D.PATHAK & ASSOCIATES
Company Secretary

REGISTRARS

LINK INTIME INDIA PVT LTD
B102 & 103, Shangrila Complex, 1st Floor,
Opp. HDFC Bank, Nr. Radhakrishna Char Rasta,
Akota, Vadodara 390 020

BANKERS

BANK OF BARODA

REGISTERED OFFICE & WORKS

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

NOTICE

Notice is hereby given that the **NINETEENTH ANNUAL GENERAL MEETING** of the members of the Company shall be held at 9.00 A.M. on Saturday 24th September 2011 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 31st March, 2011 and the Report of the Directors and Auditors thereon.
2. To appoint Mr. Soham Mehta as a Director of the Company
3. To appoint Director in place of Dr. M.A.Bodhanwala who retires by rotation and being eligible, offers herself for reappointment.
4. To appoint Director in place of Mr. B.K.Bodhanwala who retires by rotation and being eligible, offers himself for reappointment
5. 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.

6. To consider and if thought fit to pass with or without modification(s), the following Resolution as a Special Resolution:

RESOLVED THAT the approval, be and is, hereby accorded to the Revision in the Remuneration of Mr B.K. Bodhanwala as an Executive Chairman with effect from 01.10.2011 for his residual term in accordance with the Provisions of Sections 198, 269, 309 & 314 read with Schedule XIII of the Companies Act, 1956 at remuneration of Rs. 100000 per month and other perquisites and on such other terms and conditions as set out in the supplemental draft agreement to be entered into by the Company with Mr B.K. Bodhanwala as approved by the Remuneration Committee and the Board of Directors at its respective meeting held on 15.07.2011.

FURTHER RESOLVED THAT, in cases of no profit or inadequate profit in any financial year during the currency of his tenure; the remuneration as aforesaid will be paid as minimum remuneration

SPECIAL BUSINESS

7. To consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT" the approval, be and is, hereby accorded to the reappointment of Mr. A.B. Bodhanwala as a Managing Director with effect from 01.10.2011 for a term of three years ending on 30.09.2014 in accordance with provisions of section 198, 269, 309 and 314 read with Schedule XIII of the Companies Act, 1956, at a Remuneration of Rs. 200000 (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. A.B. Bodhanwala as approved by Remuneration Committee and the Board of Directors at its respective meeting held on 15.07.2011.

FURTHER RESOLVED 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.

FURTHER RESOLVED THAT Mr. A.B. Bodhanwala shall not be liable to retire by rotation from the Directorship of the Company so long as he continues to hold office of Managing Director pursuant to clause 161 of the "Articles of Association of the Company."

Regd. Office:
S. No. 309, Village Mokshi
Taluka Savli, Dist. Vadodara
Place: Mokshi
Dated: 15.07.2011

By Order of the Board of Directors

B.K. Bodhanwala
Chairman

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 22.09.2011 to 24.09.2011 (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 Nineteenth Annual General Meeting.
- Please bring the 19th Annual Report and Accounts (2010 – 2011)

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**ITEM NO. 6:**

Keeping in view the improved performance of the Company and valuable contributions as well as responsibilities shouldered by Mr. B.K. Bodhanwala as Executive Chairman, your Directors at their Meeting held on 15.07.2011 have approved the amended Terms of Appointment of Mr. B.K. Bodhanwala as Executive Chairman with effect from 01.10.2011 as detailed below

Salary

Rs. 100000 (Rupees One Lac only) per month with such increase/decrease as the Board/Shareholders may from time to time sanction, subject to the limits, as amended, prescribed in Schedule XIII of the Companies Act, 1956.

Perquisites

- (i) **EXPENSES:** Reimbursement of expenses on Gas, Electricity, Water, House Furnishing etc. will be paid at actual.
- (ii) **MEDICAL REIMBURSEMENT:** Reimbursement of Medical Expenses actually incurred for self and family and Medical Premium for the health of self and family.
- (iii) **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.

However, aggregate monetary value of aforesaid perquisites in this part shall not exceed Rs. 1200000/- per annum.

Minimum Remuneration: notwithstanding anything contained, wherein in any financial year, during the currency of the tenure of Mr B.K. Bodhanwala as Executive Chairman 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.

Supplemental Draft Agreement relating to revision in remuneration payable to Mr B.K. Bodhanwala as Executive Chairman will be available for inspection at Registered Office during 12.00 noon to 2.00 p.m. on every working days except Sundays, Saturdays and holidays till the date of Annual General Meeting.

Memorandum of interest: except, Mr B.K. Bodhanwala and his relatives' viz. Mr A.B. Bodhanwala and Dr M.A. Bodhanwala, no other Director shall be deemed to be interested or concerned in the said reappointment.

ITEM NO. 7:

As you are aware, by keeping in view improved performance of the Company and valuable contributions as well as responsibilities shouldered by Mr. A.B. Bodhanwala as a Managing Director, your Directors at their Meeting held on 15.07.2011 have approved the reappointment of Mr. A.B. Bodhanwala as a Managing Director with effect from 01.10.2011 for a period of three years expiring on 30.09.2014 in accordance with provisions of Section 198,269,309 and 314 read with Schedule XIII of the Companies Act, 1956, as approved by Remuneration Committee, subject to approval of members at their General Meeting.

Details of major terms and conditions of reappointment are as follows:

- Total Remuneration : Rs 200000/- (Rupees Two Lac only) per month.
- Basic Salary : Rs. 75000/- (Rupees Seventy Five Thousand only)
- Perquisite : As below

PART – A

- **EXPENSES:** Reimbursement of expenses on Gas, Electricity, Water, house furnishing etc. will be paid at actual.
- **MEDICAL REIMBURSEMENT:** Reimbursement of Medical Expenses actually incurred for self and family and Medical Premium for the health of self and family subject to a ceiling limit of Rs. 400000 lacs
- **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 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. 2400000/- per annum.

PART – B

- Company's contribution towards Provident Fund subject to a ceiling of 12% of the Basic Salary as mentioned above.
- Company's contribution towards superannuation fund, if any, subject to a ceiling of 15% of the Gross Salary.
- 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 a 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.

Draft Agreement relating to appointment of and remuneration payable to Mr. A.B. Bodhanwala as a Managing Director will be available for inspection at Registered Office during 12.00 noon to 2.00 p.m. on every working days except Sundays, Saturdays and holidays till the date of Annual General Meeting.

Memorandum of interest: except, Mr. A.B. Bodhanwala and his relatives' viz. Mr. B.K. Bodhanwala and Dr. M.A. Bodhanwala no other Director shall be deemed to be interested or concerned in the said reappointment.

Statement in compliance with clause no. iv of sub paragraph B, paragraph-1, Section – II, of Part II of Schedule XIII of the Companies Act, 1956.

GENERAL INFORMATION

(i)	Nature of Industry	Thermoplastic	Compounding
(ii)	Date or expected date of Commencement of Commercial production of Company	Existing.	
(iii)	Financial performance based on given indicators (2010-11) :		
	a. Gross Turnover	:	Rs. 338.46
	b. Gross Profit	:	Rs. 164.99
	c. Net Profit	:	Rs. 6.01
	d. Effective Capital	:	Rs. 475.90
	e. Managerial Remuneration	:	Rs. 19.20

INFORMATION ABOUT THE APPOINTEES

Mr. A.B. Bodhanwala

a. Background	Mr A.B.Bodhanwala the appointee is Chartered Accountant having experience of over 24 years.
b. Past Remuneration	Rs. 125000 per month + other benefits as per explanatory statement
c. Recognition or Awards	None
d. Job Profile & his suitability inception	The appointee has made valuable contributions to the development of the Company since inception
e. Remuneration proposed	Rs. 200000 per month + other benefits not exceeding Rs. 2400000/- p.a. and other perks as detailed in Part B & C of this statement.
f. Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel, if any	Relative of Mr. B.K.Bodhanwala, Executive Chairman & Dr. M.A. Bodhanwala, Non-executive Director

Mr. B.K. Bodhanwala

a. Background	Mr B.K. Bodhanwala the appointee is a Graduate having a wide experience of over 60 years at Various levels of management
b. Past Remuneration	Rs. 35000 per month + other benefits as per explanatory statement
c. Recognition or Awards	None
d. Job Profile & his suitability inception	The appointee has made valuable contributions to the development of the Company since inception
e. Remuneration proposed	Rs. 100000 per month + other benefits not exceeding Rs. 1200000/- p.a. and other perks As detailed in Part B & C of this statement
f. Pecuniary relationship directly or indirectly with the Company or relationship managerial personnel, if any	Relative of Mr. A.B. Bodhanwala, Managing Director & Dr. M.A. Bodhanwala, Non-executive Director

OTHER INFORMATION

Reason of Loss / inadequate profits:

The losses reflected in the Annual Accounts, majority are related to Depreciation provided in the Books as per the Provisions of Company Law. Moreover, as per the revised Provisions of Section 43B of the Income tax Act, 1961, the Bank Interest can be claimed only on payment.

Steps taken or proposed to be taken for improvement:

The Company has taken all necessary steps to address to the Book Losses like increasing the productivity, controlling the overheads, adding new business / customers etc which will have positive results very shortly.

Regd. Office:

**S. No. 309, Village Mokshi
Taluka Savli, Dist. Vadodara**

By Order of the Board of Directors

Place: Mokshi

Dated: 15.07.2011

**B.K.Bodhanwala
Chairman**

ADDENDUM TO THE NOTICE OF 19TH ANNUAL GENERAL MEETING

Notice is hereby given in continuation of and in modification of notice dtd. 15th July, 2011 for convening Nineteenth Annual General Meeting of the members of the Company at 9.00 a.m. on Saturday the 24th September, 2011 at . No. 309, Vill. Mokshi, Tal. Savli, Dist. Vadodara, that following business will also be transacted at the aforesaid meeting.

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Soham Mehta, for whom requisite notice u/s 257 of the Companies Act, 1956, has been received, be and is, hereby appointed as a Director liable to retire by rotation."
- b. To consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT the approval, be and is, hereby accorded to the appointment of Mr. Soham Mehta as an Executive Director with effect from 01.10.2011 for a term of one year ending on 30.09.2012 in accordance with provisions of section 198, 269, 309 and 314 read with Schedule XIII of the Companies Act, 1956, at a Remuneration of Rs. 100000 (Rupees One 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. Soham Mehta as approved by Remuneration Committee and the Board of Directors at its respective meeting held on 15.07.2011."

FURTHER RESOLVED 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

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

By Order of the Board of Directors

Place: Mokshi
Dated: 15.07.2011

B.K. Bodhanwala
Chairman

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 1 & 2:

Your Company has changed the business model and have formed 3 SBUs. The Company has launched its own Brand of Polymer Grades in the market. It is necessary that a senior person should head this SBU. Mr. Soham Mehta is a polymer Graduate having a vast experience of over 20 years in this industry. Keeping in view the objective of the Company and the responsibilities which Mr. Soham Mehta will shoulder as Executive Director, SBU (Polymers), Your Directors at their Meeting held on 15.07.2011 have approved the Terms of Appointment of Mr. Soham Mehta as an Executive Director with effect from 01.10.2011 for a period of one year ending on 30.09.2012, on a monthly salary of Rs. 1,00,000 per month with such increase/ decrease as the Board / Shareholders may sanction from time to time, subject to the limits, as amended, prescribed in Schedule XIII of the Companies Act, 1956.

Your Directors solicit your approval to the resolution 5 & 8 appearing in the accompanying notice as Ordinary Resolution and Special Resolution respectively. Draft Agreement relating to the appointment of and remuneration payable to Mr. Soham Mehta as Executive Director will be available for inspection at the Registered Office during 12.00 noon to 2.00 p.m. on every working days except Saturdays, Sundays and holidays till the date of Annual General Meeting.

Memorandum of Interest: Except, Mr. Soham Mehta himself, no other Director shall be deemed to be interested or concerned in the said appointment.

Information about appointee in compliance Clause no IV of Sub Paragraph B, Paragraph 1, Section II of Part II of Schedule XIII of the Company Act, 1956

Mr. Soham Mehta

- | | |
|---|--|
| a. Background | Mr Soham Mehta the appointee is a Graduate having experience of over 20 years. |
| b. Past Remuneration | N.A. since employment elsewhere |
| c. Recognition or Awards | N.A. since employment elsewhere |
| d. Remuneration proposed | Rs. 100000 per month all inclusive |
| e. Job Profile & his suitability | The appointee being Polymer Graduate |
| f. Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel, if any | N.A. |

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

By Order of the Board of Directors

Place: Mokshi
Dated: 15.07.2011

B.K. Bodhanwala
Chairman

D I R E C T O R S R E P O R T

Dear Shareholder,

Your directors are pleased to present herewith the Nineteenth Annual Accounts of your Company for the financial year ended March 31, 2011.

PART I

FINANCIALS

	Rupees	
PARTICULARS	2010-2011	2009-2010
Sales and other income	33845686	36711388
Expenditure	28797530	34297746
Depreciation & W/off	4585764	4594433
Profit before Interest, W/off & Depreciation	8716890	5573141
Profit before Tax	462391	-2180790
(Short) / Excess Provision of Current Tax of earlier year	0	155775
Provision for Taxation :		
MAT	0	662674
Deferred Tax Liability / Asset	138175	1925440
Profit after Tax	600566	563098
Cash Profit after Tax	5186330	5157531

PERFORMANCE

Your Directors have to state that during the year ended March 31, 2011 your Company has not been able to maintain its growth history. The slump in the global market had put all the Industries in low gear. Your directors have to further state that in spite of the slump in global market, the Indian scenario was a shade better. In these difficult times your Company managed to float and avert the crisis to the best ability of your Directors.

Your Company has diversified and have evolved a new Business Model. Now it has 3 SBUs:

- | | | |
|-------|--------------------|--|
| • SBU | Toll Manufacturing | Existing business |
| • SBU | Polymers | Launch of own Grades / Brand of Engineering Polymers |
| • SBU | Repellents | Mosquito Bed Nets |

Your Directors are extremely pleased to inform you that the Company has launched its own Brand of Polymer Compounds in January 2011; the last quarter of 2010-2011. You are aware that the Company has been associated with the Compounding Industry since almost 2 decades. We are known to all the major consumers in the field of Engineering Plastic Compounds. Thus, the launch of Grades / market penetration was extremely good and the response received from the new customers was welcome. We being new to the customers, there were certain aspects which were required to be dealt very cautiously.

However, with our experience and expertise and also presence in the Compounding Industry for over 18 years, made things fall into place with lesser difficulties.

FUTURE GROWTH OPPORTUNITIES WITH DIVERSIFICATION

The current business of Toll Compounding of Engineering Polymers is still good; however the returns are disproportionate. 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 than the existing line of activity. Moreover, the demand for this product will never be in slump due to the sheer size of the Market. Moreover, the domestic Market itself is quite large. The last quarter; January – March 2011 was only indicative of the performance. The year 2011-2012 will be the 1st full year of operations. 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.

PART II

CORPORATE GOVERNANCE

Your Company has maintained highest standards of Corporate Governance since its inception, even before any guidelines were mandated. Your 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.

Your Board has implemented the necessary actions as per the Report annexed herewith (Annexure I). The Auditors have examined the Compliance and have certified the same as required by Clauses of the Listing Agreement. The Certificate is also annexed herewith (Annexure II)

Management Discussion and Analysis Report covering a wide range of issues relating to outlook, performance & prospects is annexed herewith (Annexure III).

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 9001-2008** 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, 2011, 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

Shah & Bhandari, Chartered Accountants, Baroda, the present Auditors retire at the conclusion of the ensuing Annual General Meeting. Being eligible, they have offered themselves for reappointment.

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.

DIRECTORS

Appointment

- In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, your Directors have appointed Shri Soham A. Mehta as Director. Your Directors recommend his appointment for the consideration of the Shareholders.

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, offers 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, offers himself for reappointment. Your Directors recommend his reappointment

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. The sum insured are adequate as per the current norms.

TAXATION

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 been duly adjusted in the Profit & Loss Account.

COMPLIANCES

The Company is generally regular in making all Statutory Compliances.

INVESTOR RELATIONS

All Investor complains received during the year have been suitably disposed off. There were no Investor grievances pending as at date.

PARTICULARS OF EMPLOYEES

The Industrial relations in the Plant and Office continues to be cordial, harmonious and peaceful.

Your directors like to place on record their appreciation of contribution made by the employees at all levels, their steadfastness, solidarity, co-operation and support have made it possible for the company to grow. Employees continue to remain our major asset, in our continuing endeavour in the pursuit for excellence.

Information required under Section 217 (2A) of the Companies Act 1956 read with the Companies (Particulars of employees) Rules 1975, has not been given as the same is not applicable.

FOREIGN EXCHANGE EARNING

The Company has not earned any Income on Revenue or Capital Account during the year.