



Creating Tomorrow

23th

ANNUAL REPORT

2014-2015

Axel Polymers Limited

ISO 9001:2008



BOARD OF DIRECTORS

Mr. B.K.Bodhanwala	Chairman
Mr. A.B.Bodhanwala	Managing Director
Mr. G.S.Thanky	Director (Executive)
Dr. M.A.Bodhanwala	Director (Female - Non Executive)
Mr. A.G.Thakore	Director (Independent – Non Executive)
Mr. P. M. Walvekar	Director (Independent – Non Executive)

AUDITORS

SHAH & BHANDARI
Chartered Accountants

COMPANY LAW ADVISOR

D.PATHAK & ASSOCIATES
Company Secretary

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

COMPANY IDENTIFICATION NO.

L25200GJ1992PLC017678



DIRECTORS REPORT

Dear Shareholder,

Your Directors have pleasure in presenting the Board's Report of your Company together with the Financial Statements of your Company for the financial year ended, 31st March, 2015.

FINANCIALS

Rupees

PARTICULARS	2014-15	2013-14
PROFIT / (LOSS) BEFORE DEPRECIATION ,TAX	60,66,483	-1,32,90,935
(Less): Depreciation	48,18,792	45,42,629
PROFIT/(LOSS) BEFORE TAX	12,47,691	-1,78,33,564
TAX EXPENSES:		
(Less) : Deferred Tax	0	0
NET PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS	12,47,691	-1,78,33,564
Add/ (Less) Exceptional items	0	0
NET PROFIT/ (LOSS) FOR THE YEAR	12,47,691	-1,78,33,564
Add/ (Less): Balance Brought Forward	-3,55,84,292	-1,77,50,729
Add/ (Less): Transitional Adjustment on Depreciation	25,93,112	0
BALANCE CARRIED TO BALANCE SHEET	3,69,29,713	3,55,84,292

The Company has posted a Net profit of Rs. 12,47,691 during the year under review as against a Net Loss of Rs. 178,33,564. The Net Sales of the Company for the year under review is Rs. 1623.12 lacs as against Rs. 558.55 lacs in the previous year; an increase of 290%.

DIVIDEND

In view of carried forward of losses of the Company, your Directors do not recommend dividend.

SHARE CAPITAL

The paid up equity capital as on March 31, 2015 was Rs. 430.00 lacs consisting of 4300000 Equity Shares of Rs.10/- each. During the year under review, the Company has not issued any Bonus Shares, Equity Shares nor any Right Shares with differential voting rights etc. neither granted any stock options or sweat equity.

INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

The Company does not have any Subsidiary, Joint venture or Associate Company.

TRANSFER OF UNCLAIMED DIVIDEND 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. Hence, the provisions of Section 125 of the Companies Act, 2013 do not apply.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which this financial statements relate and the date of this report

EXTRACT OF ANNUAL RETURN

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.

MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2014-15, 5 meetings of the Board of Directors of the Company were held on 31.05.2014, 04.08.2014, 27.09.2014, 13.11.2014 & 04.02.2015.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company confirms that-

- a In the preparation of the annual accounts, 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 at the end of the financial year and of the profit and loss 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS & REPORT THEREON

M/S SHAH & BHANDARI, Chartered Accountants, Vadodara were appointed as Statutory Auditors to hold office upto the conclusion of 23rd Annual general Meeting by the Members of the Company at their Annual General Meeting held on 27th September, 2014. The Company has received requisite certificate and consent from them. You are



requested to ratify their appointment.

There are no qualifications or adverse remarks in the Auditors' Report. The Notes on financial statements are self-explanatory, and needs no further explanation.

Further the Auditors' Report for the financial year ended, 31st March, 2015 is annexed herewith for your kind perusal and information.

LOANS, GUARANTEES AND 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 are within the limits of Section 186 of the Act.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company which may have potential conflict with the Interest of the Company. Particulars of contracts/arrangement with related parties in the Form AOC-2 pursuant to Section 188(1) of the Act are enclosed as per Annexure-2.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

(A) During the year, your Directors have focused their approach on the efficiency in Consumption of Power.

The particulars prescribed under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988 are as under:

Power & Fuel Consumption - Electricity	2014 – 2015	2013 – 2014
Purchased Quantity units	719580	283371
Amount Rs.	55,28,807	21,65,899
Rate / unit Rs.	7.68	7.64
Production Quantity M.T.	2739.832	607.651
Total Power Cost Rs.	55,26,631	21,65,899
Power Cost per Kg. of Production Rs.	1.91	3.56

The Power cost per kg of Production has decreased from Rs. 3.56 to 1.91 per kg due to increased production. This is after increased rate of power as well as duty.

(B) Foreign exchange earnings and outgo

There were no Foreign Exchange earnings or outgo during the year under review.

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.

DIRECTORS & KMP

The following changes have occurred in the constitution of the Board of Directors of the company:

No	Name	Designation	Date of Appointment	Date of Cessation	Mode of Cessation
1.	Mr. B.B.Patel	Independent			
	(DIN:02422171)	Director	31.12.2005	29.05.2015	Resignation

Mr. B.B.Patel has resigned from the Directorship of the Company w.e.f. 29.05.2015. Your Directors have placed on record appreciation for valuable services rendered by Mr. B.B.Patel.

DEPOSITS

The company has not accepted any deposits during the year.

CORPORATE SOCIAL RESPONSIBILITY

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

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.

ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination / Appointment & Remuneration Committees.

CORPORATE GOVERNANCE

In view of paid up Equity Capital and Net Worth of the Company is lesser than Rs. 10 Crores and Rs. 25 Crores respectively, Clause 49 of the Listing Agreement is not mandatorily applicable in terms of circular no. CIR/CFD/POLICYCELL/7/2014 dtd 15.09.2014 and accordingly, Corporate Governance Report is not included in the Annual Report.

INDEPENDENT DIRECTORS & DECLARATION

Mr. Prashant Walvekar continues as Independent Director of the company as per Section 149(10) of the Companies Act, 2013 for a further term of one year on the Board of the Company.



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 Companies Act, 2013.

NOMINATION AND REMUNERATION COMMITTEE

As per the provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee, the Company has constituted Nomination & Remuneration Committee which deals with issues relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

Name of the Director	Position held in the Committee	Category of the Director
Mr. A.G.Thakore	Chairman	Independent Director
Dr. M.A.Bodhanwala	Member	Non- Executive Director
Mr. P.M.Walvekar	Member	Independent Director

REMUNERATION POLICY

Remuneration to Executive Directors:

The Executive Directors are paid annual remuneration as under:

Mr. A.B.Bodhanwala	Managing Director	Rs. 13,25,000
Mr. B.K.Bodhanwala	Whole time Director	Rs. 4,20,000
Mr. G.S.Thanky	Whole time Director	Rs. 12,00,000

Remuneration to Non Executive Directors:

The Non Executive Directors are not paid any remuneration.

AUDIT COMMITTEE

According to Section 177 of the Companies Act, 2013 the company's Audit Committee comprised of 3 Members. The board has accepted the recommendations of the Audit Committee. The table sets out the composition of the Committee:

Name of the Director	Position held in the Committee	Category of the Director
Mr. A.G.Thakore	Chairman	Independent Director
Mr. G.S.Thanky	Member	Non- Executive Director
Mr. Prashant Walvekar	Member	Independent Director

INVESTOR GRIEVANCE COMMITTEE

The Investors' Grievance Committee has been constituted and functioning. Mr. B.K.Bodhanwala was the Chairman & Dr. M A Bodhanwala was member. The Committee deals with all Transfers, transmissions etc. as required from time to time and all matters pertaining to Investors' complaints. When the Shares are lodged for transfer in excess of 10000 shares, the Company may send the same for confirmation of the transferor and only after the Company is fully satisfied, the same are transferred.



The Committee reviews the performance of the Registrars and Transfer Agents (RTA) and their system of dealing with the investors. There were no complaints pending for disposal as at 31.03.2015.

SECRETARIAL AUDIT REPORT

There are no qualifications or adverse remarks in the Secretarial Audit Report which require any clarification/ explanation.

Further the Secretarial Audit Report as provided by M/s DEVESH VIMAL & CO; Practicing Company Secretaries for the financial year ended, 31st March, 2015 is annexed herewith for your kind perusal and information. (Annexure: 4)

COST AUDIT

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

VIGIL MECHANISM

As per Section 177(9) and (10) of the Companies Act, 2013, and as per the Clause 49 of the Listing Agreement, 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.

SHARES

The Company has neither issued nor allotted any shares during the year under review.

ORDER OF COURT

No orders were passed during the course of Financial Year 2014- 15 in respect of any Company's matter.

INTERNAL CONTROL SYSTEM AND THEIR EFFICACY

The Company has by and large adequate internal control procedures commensurate with the size of the Company and nature of business especially with regard to purchase of inventory, fixed assets and for sale of goods.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Net Profit of the Company during the financial year is Rs. 12.47 lacs.

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading pursuant to new SEBI (Prohibition & Insider Trading) Regulation 2015 in place of SEBI (Prohibition & Insider Trading) Regulation 1992 with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the 'Trading Window' is closed. The Board is responsible for implementation of the Code. All Directors and the designated employees have confirmed compliance with the Code.