



Creating Tomorrow

26th

ANNUAL REPORT

2017-2018

Axel Polymers Limited

ISO 9001:2008

BOARD OF DIRECTORS

Mr. B.K.Bodhanwala	Chairman
Mr. Gaurav Thanky	Managing Director (w.e.f. 01.10.2017)
Mr. A.B.Bodhanwala	Director - CFO (w.e.f. 01.10.2017)
Dr. (Mrs) M.A.Bodhanwala	Director (Woman Non Executive)
Mr. Amitabh Thakore	Director (Independent - Non Executive)
Mr. Prashant Walvekar	Director (Independent - Non-Executive) (ceased w.e.f. 18.08.2017)
Mr. Jayndra H. Desai	Director (Independent - Non-Executive) (w.e.f. 17.11.2017)
Mr. Shailesh Bharvad	Company Secretary

AUDITORS

Mukund & Rohit
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 26th Annual General Meeting of the Members of the Axel Polymers Limited will be held on Thursday, 27th September, 2018 at the Registered Office of the Company at S-309, Vil-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 31.03.2018 together with the Reports of the Auditors' and Board's thereon.
2. To appoint a Director in place of Mr. A.B. Bodhanwala, having (DIN : 00421362) who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify appointment of M/s. Mukund & Rohit, Chartered Accountants, as Statutory Auditors of the Company from the conclusion of 26th Annual General Meeting till the conclusion of 30th Annual General Meeting of the Company & to fix their remuneration.

SPECIAL BUSINESS:

4. To appoint Mr. Jayendra H. Desai (DIN 02213677) as a Non-Executive Independent Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and Clause 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Jayendra Harshad Desai, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment, whose office shall not be liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company for a period of 5 years w.e.f. 17.11.2017.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary and expedient to give effect to these resolutions.”

For and on behalf of Board of
Axel Polymers Limited

Date: 14.08.2018
Place: Mokshi

B. K. Bodhanwala
Chairman
DIN: 00421717

Notice

- 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 of the accompanying Notice is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 21.09.2018 to 27.09.2018 (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 27.09.2018 ('the AGM Notice'). The Company has appointed Mr. Devesh A. Pathak, 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 20.09.2018. The e-voting will commence at 9.00 a.m. on 24.09.2018 and will end at 5.00 p.m. on 26.09.2018. 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 dropdown 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 and Physical 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 Address Sticker 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. 20.09.2018.

*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 24.09.2018 and will end at 5.00 p.m. on 26.09.2018. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20.09.2018, 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 24.09.2018 and will end at 5.00 p.m. on 26.09.2018. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 20.09.2018 (Cut-off date) 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 20.09.2018
 - iii. Mr. Devesh A Pathak, Practicing Company Secretary (Membership No. FCS 4559) 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 27.09.2018 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

The Board of Directors, in terms of the recommendation of Nomination and Remuneration Committee approved the appointment of Mr. Jayendra H. Desai as a Non-Executive Independent Director of the Company for a period of 5 years w.e.f 17.11.2017.

The brief resume of Mr. Jayendra H. Desai together with other details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 is provided in the Annexure to this notice. In the opinion of the Board, Mr. Jayendra H. Desai fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as a Non-

Executive Independent Director of the Company and is independent of the management. The copy of the draft letter for appointment of Mr. Jayendra H. Desai as a Non-Executive Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, except Saturdays, Sundays and Public Holidays.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to avail services of Mr. Jayendra H. Desai as a Non-Executive Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Jayendra H. Desai as a Non-Executive Independent Director, for the approval by the shareholders of the Company. The Company has received the proposal for appointment as a Director as per applicable rules and regulations.

Mr. Jayendra H. Desai does not hold any Equity Shares of the Company.

None of the other Directors, Key Managerial Personnel(s) and their relatives, except Mr. Jayendra H. Desai, have any concern or interest, financial or otherwise, in the resolutions set out at Item No. 4 of the Notice.

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

Name of the Director	Mr. A.B. Bodhanwala	Mr. Jayendra H. Desai
Designation	Director & CFO	Independent Director
DIN	00421362	02213677
Age	58	45
Date of Birth	19.06.1960	30.11.1973
Nationality	Indian	Indian
Date of Appointment	01.10.2017	17.11.2017
Qualification	Chartered Accountant	Diploma in Plastic Engineering
Expertise	Finance	He is Diploma in Plastic Engineering and he is possessing skills in the same field
Directorship/Membership of Committee of the Board of the Listed Companies in which he/she is a Director as on 31.03.2018	NIL	NIL
Shareholding in the Company as on 31.03.2018	153800	Nil
Relationship with any Director(s) of the Company	He is related to Mr. B. K. Bodhanwala and Dr. (Mrs.) M.A. Bodhanwala, Directors of the Company.	NA



AXEL POLYMERS LIMITED
CIN: L25200GJ1992PLC017678

Registered office :

309, Mokshi, Sankarda- Savli Road, Tal Savli,
Dist Vadodara - 391 780 (Gujarat)

Telephone no.: 02667-244395 • **Email address :** cs@axelindia.com

ATTENDANCE SLIP

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



26th Annual General Meeting- 27-09-2018

At Regd. Off.: 309, Mokshi, Sankarda- Savli Road, Tal. Savli,
Dist Vadodara - 391 780. (Gujarat)

I hereby record my presence at the 26th Annual General Meeting held
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 26th Board's Report of your Company together with the Financial Statements for the financial year ended on 31.03.2018.

1. FINANCIAL & OPERATIONAL RESULTS

The Summary of the financial performance of the Company for the year ended 31.03.2018 compared to the previous year is as follows:

(Rs. in lacs)

Particulars	2017-18	2016-17
Revenue from Operations	2774.81	2442.93
Other Income	4.20	27.37
Total Income	2779.02	2470.30
Profit/(Loss) before Depreciation and Tax	56.68	46.83
(Less): Depreciation	(28.03)	(21.30)
Profit/(Loss) before Tax	28.65	25.53
Add/(Less): Tax Expenses		
i. Current Tax	5.46	3.99
II. Deferred Tax	NIL	NIL
Net Profit/(Loss) for the year	23.19	21.54
Other Comprehensive Income for the Year (Net of Tax)	2.48	(1.64)
Add/(Less): Balance Brought Forward	(309.35)	(329.25)
BALANCE CARRIED FORWARD TO BALANCE SHEET	(283.67)	(309.35)

During the year under review, total income of Rs. 2779.02/- Lacs as against Rs. 2470.30/- in the previous year exhibits a growth of about 12.5%. Net profit of Rs. 23.19/- Lacs as against Rs. 21.54/- Lacs in the previous year also exhibits a growth of about 7.66 % 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('the Act') and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 in Form MGT-9 is not required to be annexed to the Board Report pursuant to MCA Notification dated 31.07.2018 and uploaded on website of the Company at below given link.

<http://www.axelindia.com/downloads/MGT-9-2017-18.pdf>

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

During the Financial Year 2017-18, seven meetings of the Board of Directors of the Company were held. In terms of section 152 and other applicable provisions, if any, of the Act, Mr. A.B. Bodhanwala retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

The Board recommends re-appointment of Mr. A.B. Bodhanwala, as a retiring director at the forthcoming AGM of Company in terms Section 152 of the Act, who in opinion of the Board and Nomination and Remuneration Committee fulfills the conditions for reappointment specified in the Act and rules made thereunder.

During the year Mr. A.B. Bodhanwala has resigned from the office of Managing Director of the Company w.e.f 30.09.2017 and appointed as Director & CFO of the Company w.e.f. 01.10.2017. Mr. Gaurav S. Thanky has resigned from the office of CFO of the Company w.e.f. 30.09.2017 and appointed as Managing Director w.e.f 01.10.2017. Mr. Prashant M. Walvekar has resigned from the office of Non-Executive Independent Director of the Company w.e.f 18.08.2017 and Mr. Jayendra H. Desai has been appointed as Additional (Non-Executive) Independent Director of the Company w.e.f. 17.11.2017.

8. DIRECTORS TRAINING & FAMILIARIZATION

The Directors are regularly informed during the meetings of the Board and the Committees, of the activities of the Company, its operations and issues facing the Polymer Industry. Considering the long association of the Directors with the Company and their seniority and expertise in their respective areas of specialisation and knowledge of the engineering industry, their training and familiarization were conducted in the below mentioned areas:

- The Roles, Rights, Responsibilities and Duties of Independent Directors
- Business Development Strategy and Plans
- Changes brought in by the introduction of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- New SEBI Regime - Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

9. 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, 2018, 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 2017–2018 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.

10. AUDITORS

A. STATUTORY AUDITORS

The Company's Auditor M/S Mukund & Rohit, Chartered Accountants, Vadodara having registration no. 113375W were appointed as the Auditor to hold office up to the conclusion of 30th AGM. It is proposed to ratify their 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 2017-18 and the report is annexed herewith for your kind perusal and information as per Annexure-1

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.

11. 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.

12. 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 - 2.

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

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

(A) Conservation of Energy

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

Power & Fuel Consumption- Electricity		2017-18	2016-17
Consumed	Quantity units	13,41,358	11,78,915
	Amount Rs. (in Lacs)	94.31/-	83.51/-
	Rate/Unit Rs.	7.03	7.08
Production	Quantity M.T	4014,224	3418,571
	Total Power Cost Rs. (in Lacs)	94.31/-	83.51/-
	Power Cost Per Kg. of Production Rs.	2.35/-	2.44/-

(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.

14. 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.

15. KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel of the Company

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

16. DEPOSITS

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

17. CORPORATE SOCIAL RESPONSIBILITY

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

18. 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 Act, 2013 read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

19. DISCLOSURE UNDER THE SEXUAL HARASSMENT 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 2017-2018 is as under:

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

20. 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 annual evaluation of its own performance, its committees and the directors individually.

21. 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 27(2) of SEBI (LODR) Regulations, 2015.

22. 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-3.

23. DECLARATION BY INDEPENDENT DIRECTORS

Mr. Amitabh Thakore and Mr. Jayendra Desai were the Independent Directors of the Company as on 31st March, 2018 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.

24. 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 with Mr. A.G. Thakore as Chairman and Mr. Jayendra Desai as Member as a both Independent Directors as well as Mrs. M.A. Bodhanwala , Non Executive Director as a Member.

The Audit Committee met five 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 Mr. A.G. Thakore as Chairman and Mr. Jayendra Desai as Member both Independent Director as well as Mrs. M.A. Bodhanwala, Non Executive Director as Member.

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

REMUNERATION POLICY

The policy of the Company on Director's and KMP's appointment and remuneration, including criteria for determining qualifications, independence of Director and other matters provided under Section 178 sub-section 3 of the Companies Act- 2013 and the same can be found on website of the Company.

Remuneration to Executive Directors

The Executive Directors are paid annual Remuneration as under.

Mr. A.B. Bodhanwala	Director & CFO	Rs. 15,00,000/-
Mr. B.K. Bodhanwala	Chairman & Whole-Time Director	Rs. 4,23,528/-
Mr. G.S. Thanky	Managing Director	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 member and Mrs. Minnie A. Bodhanwala is Chairperson. 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.

25. COST AUDIT

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

26. VIGIL MECHANISM

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

27. 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.

28. REPORTING OF FRAUDS

There has 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.

29. 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.

30. CHANGE IN THE NATURE OF BUSINESS

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

31. 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. The Authority and responsibility of every employee is defined, thus leaving no scope for any deviation.

32. 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.

33. 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.

34. INSURANCE

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

35. STATEMENT ON COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS:

In terms of clause no. 9 of Revised SS-1 (Revised Secretarial Standards on Meetings of Board of Directors effective from 01.10.2017), your Directors state that the Company has been compliant of applicable Secretarial Standards during the year under review.

36. 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

Date: 14.08.2018
Place: Mokshi

B.K.Bodhanwala
Chairman
DIN: 00421717

Annexures to the Report of Board of Directors
Annexure - 1
Form No. MR-3
Secretarial Audit Report
For The Financial Year Ended 31st March, 2018

[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, 2018 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, 2018 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; [presently: The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.]
 - (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; [presently: The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.]

- (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.
- (j) The Listing Agreements entered into by the Company with BSE Ltd. including The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 ('LODR').

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, 2008

were not applicable during the audit period.

Axel Polymers Limited

- (b) The company has not issued any stock options to the employees and accordingly The Securities and Exchange Board of India (share based employee benefits) Regulation, 2014 was not applicable
- (c) 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.
- (d) 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

For Devesh Vimal & Co.
Practising Company Secretaries

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

Date: 25.05.2018
Place: Vadodara

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

25th May, 2018

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

Ref: Secretarial Audit Report dated 25th May, 2018 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

Axel Polymers Limited

ANNEXURE – 2 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, 2018 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	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-43.84 Cr.	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-8.58 Lacs
(e) Date(s) of approval by the Board, if any:	05.08.2017	05.08.2017
(f) Amount paid as advances, if any:	Rs. 357.64 Lacs Security Deposit	Rs. 121.11 Lacs Security Deposit

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

Date: 14.08.2018
Place: Mokshi

B.K.Bodhanwala
Chairman
DIN: 00421717

**Annexure - 3
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. 2779.02/-lacs during the year. The Interest & Finance Costs for the year stood at Rs. 79.09/- lacs which is nearly 3% of the Net Sales & Depreciation at Rs. 28.03/- Lacs. The RMC stood at Rs. 2203.63 Lacs; 81.42%. as against this, the RMC in the previous year stood at 85.92%. Thus during the current year the RMC decreased by 4.5% which is mainly attributable to the increase in efficiency.

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	Value Rs lacs
Compounds of Engineering Polymers	MT	4014.224	2697.19

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. The authority and responsibility of every employee is defined, thus leaving no scope for any deviation.

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. 2779.02/-lacs during the year. The Interest & Finance Costs for the year stood at Rs. 79.09/- lacs which is nearly 3% of the Net Sales & Depreciation at Rs. 28.03/- Lacs. The RMC stood at Rs. 2203.63 Lacs; 81.42%. as against this, the RMC in the previous year stood at 85.92%. Thus during the current year the RMC decreased by 4.5% which is mainly attributable to the increase in efficiency.

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.

CONFIRMATION ON CODE OF CONDUCT

[Regulation 34(3) read with Schedule V (Part D) of The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Axel Polymers Limited

This is to confirm that the board has laid down a code of conduct for Board of Directors and senior management of the Company. It is further confirmed that all Directors and senior management of the company have affirmed compliance with the Code of Conduct of the Company as at 31.03.2018, as envisaged in Regulation 34(3) read with Schedule V (Part D) of The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of The Board of Directors
Axel Polymers Limited.
Sd/-

Place: Mokshi
Date: 25.05.2018

B.K.Bodhanwala
Chairman
DIN : 00421717

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

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

- a. We have reviewed the financial statements for the Quarter and Year ended on 31st March, 2018 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, 2018 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 propose to take 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: Mokshi
Date: 25.05.2018

sd/-
Gaurav S. Thanky
Managing Director

sd/-
A.B. Bodhanwala
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 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements")

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the relevant Rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions 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 Ind AS 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 Ind AS 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS 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 financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 2018 and its profits, total comprehensive income, its cash flows and the changes in equity 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 the paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards, specified under Section 133 of the Act, read with the relevant rules issued thereunder.
 - (e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 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";
 - (g) With respect to the other matters 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 do not have any pending litigations which may impact its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Mukund & Rohit
Chartered Accountants
Registration No. 113375W

Mukund Bakshi
Partner
Membership No. 041392

Place : Vadodara
Date : 25.05.2018

Annexure A to the Auditors' Report

The Annexure referred to in our report to the members of **Axel Polymers Limited** for the year ended March 31, 2018, we report that:

- I.
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (b) According to the information and explanation given to us, the Property, Plant and Equipment have been physically verified by the management at reasonable intervals, and no material discrepancies were noticed on such verification.
 - (c) According to the information and explanation given to us, the title deeds of immovable properties are held in the name of the Company.
- II. The Inventory have been physically verified by the management at reasonable intervals. Discrepancies noticed were not material and the same have been properly dealt with in the books of accounts.
- III. As informed to us, the Company has not granted loans, secured or unsecured to Companies, firms, LLP or other parties covered in register maintained under section 189 of the Companies Act 2013. Hence, the questions of reporting whether the receipt of the principal amount and interest are regular; and, whether reasonable steps for the recovery of overdues of such loan are taken does not arise.
- IV. In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- V. Based on the our scrutiny of Company's record and according to the information and explanation provided by the management, in our opinion, the Company has not accepted any loans or deposits, which are "Deposits" within the meaning of Rule 2(b) of the Companies (Acceptance of Deposit's) Rules, 2014.
- VI. According to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.
- VII.
 - (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Income –Tax, Sales –Tax, Service tax, duty of excise, value added tax, Goods & Service Tax or cess and any other statutory dues to the appropriate authorities and no statutory dues were outstanding, as at 31st March, 2018 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 or Sales Tax or Service Tax or duty of excise or value added tax, Goods & Service Tax or cess, which have not been deposited on account of any dispute.

- VIII. Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of dues to financial institutions or bank or debenture holders.
- IX. Based on our audit procedures and as per the information and explanations given by the management, Company has not raised money by initial public offer or further public offer (including debt instruments) and there are no term loans during the period covered by our audit report.
- X. Based on the audit procedure performed for the purpose of reporting the true and fair view of the Ind AS financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.
- XI. Based on the our scrutiny of Company's record and according to the information and explanation provided by the management, in our opinion, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- XII. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of Companies (Auditor's Report) Order, 2016 are not applicable.
- XIII. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS Financial Statements, as required by the applicable accounting standards at Note 40 (ii) of financial statements.
- XIV. Based on our examination of records and information provided to us by management, we report that the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- XV. Based on our examination of records and information provided to us by management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- XVI. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi) of Companies (Auditor's Report) Order, 2016 are not applicable.

For Mukund & Rohit
Chartered Accountants
Registration No. 113375W

Place : Vadodara
Date : 25.05.2018

Mukund Bakshi
Partner
Membership No. 041392

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 ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS 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 Company's 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 Company's 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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 2018, 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 Mukund & Rohit
Chartered Accountants
Registration No. 113375W

Place : Vadodara
Date : 25.05.2018

Mukund Bakshi
Partner
Membership No. 041392

Axel Polymers Limited

BALANCE SHEET AS AT 31st March 2018

Amount Rs.

Particulars	Note No.	As At 31-03-2018	As At 31-03-2017	As At 31-03-2016
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	3	35,980,362	35,016,432	28,101,558
(b) Capital Work in Progress	4	-	-	134,071
(c) Financial Assets				
(i) Trade Receivables	5	8,741,551	11,280,401	10,142,672
(ii) Loans	6	1,502,375	1,652,975	1,682,975
(iii) Other Financial Assets	7	1,846,124	2,066,172	1,359,535
(d) Advance Income Tax Assets (Net)	8	739,675	1,083,964	1,068,232
(e) Deferred Tax Assets (Net)	9	1,444,885	1,444,885	1,444,885
(f) Other non-current assets	10	2,955,000	3,355,000	3,355,000
Total		53,209,972	55,899,828	47,288,927
Current assets				
(a) Inventories	11	67,873,843	57,173,409	40,511,636
(b) Financial Assets				
(i) Trade Receivables	12	27,113,831	20,362,834	42,573,947
(ii) Cash and cash equivalents	13	2,474,692	3,669,843	6,336,107
(iii) Loans	14	35,500	11,918	15,000
(iv) Other Financial Assets	15	86,684	126,240	2,481,860
(c) Advance Income Tax Assets (Net)	16	441,844	463,707	-
(d) Other current assets	17	926,919	860,747	1,154,146
Total		98,953,314	82,668,697	93,072,696
Total		152,163,286	138,568,525	140,361,623

Axel Polymers Limited

BALANCE SHEET AS AT 31st March 2018

Amount Rs.

Particulars	Note No.	As At 31-03-2018	As At 31-03-2017	As At 31-03-2016
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	18	43,000,000	43,000,000	43,000,000
Other Equity	19	(28,367,428)	(30,935,068)	(32,925,310)
		14,632,572	12,064,932	10,074,690
Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	5,465,479	6,316,896	6,656,896
(ii) Other Financial Liabilities	21	47,875,000	47,875,000	47,875,000
(b) Provisions	22	644,883	785,722	707,811
Total A		53,985,362	54,977,618	55,239,707
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	23	69,059,407	50,562,019	47,929,068
(ii) Trade payables	24	11,672,892	17,020,585	25,177,559
(iii) Other Financial liabilities	25	782,709	1,555,843	1,001,060
(b) Other current liabilities	26	1,225,659	1,727,640	832,274
(c) Provisions	27	804,685	659,888	107,266
Total B		83,545,351	71,525,975	75,047,227
Total Liabilities(A + B)		137,530,714	126,503,593	130,286,934
Total Equity and Liabilities		152,163,286	138,568,525	140,361,623

The accompanying notes 1 to 40 are an integral part of our financial statements

As per Report of even date attached

For Mukund & Rohit
Chartered Accountants
Registration No. 113375W

For & on Behalf of The Board
Axel Polymers Limited

B.K.Bodhanwala
Chairman

Gaurav Thanky
Managing Director

Mukund Bakshi
Partner
Membership No: 041392

A.B.Bodhanwala
Director & CFO

Shailesh Bharvad
Company Secretary

Place: Vadodara
Date: 25.05.2018

Place: Vadodara
Date: 25.05.2018

Axel Polymers Limited

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2018

Amount Rs.

PARTICULARS	Note No.	2017-2018	2016-2017
I Revenue from operations	28	277,481,327	244,293,292
II Other Income	29	420,407	2,737,163
III Total Income (I+II)		277,901,734	247,030,455
IV EXPENSES			
Cost of materials consumed	30	220,363,238	174,615,880
Excise duty on sale of goods	31	7,761,944	24,878,880
Purchase of Stock in trade	32	-	2,199,568
Changes in inventory of finished goods & work-in-progress	33	(1,347,998)	(7,427,283)
Employee Benefits Expense	34	14,929,085	10,915,379
Finance Costs	35	7,908,676	9,315,706
Depreciation and Amortization Expense	3	2,803,352	2,130,286
Other Expenses	36	22,618,327	27,848,733
Total Expenses (IV)		275,036,623	244,477,148
V Profit Before Exceptional items and Tax (III-IV)		2,865,111	2,553,306
VI Exceptional Items			
VII Profit Before Tax (V-VI)		2,865,111	2,553,306

Axel Polymers Limited

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2018

Amount Rs.

PARTICULARS	Note No.	2017-2018	2016-2017
VIII Tax Expense:			
(a) Current Tax		545,947	399,447
(b) Minimum alternate tax credit entitlement		-	-
(c) Deferred Tax		-	-
IX Profit for the Year (VII-VIII)		2,319,164	2,153,859
X Other Comprehensive Income (OCI)			
(i) Re-measurement of the Defined Benefit Plans		(248,476)	163,617
(ii) Deferred Tax Impact on above Ind As adjustment		-	-
Total of Other Comprehensive Income (OCI) (X)		(248,476)	163,617
XI Total Comprehensive Income for the Year (IX+X)		2,070,688	2,317,476
XII Earnings Per Equity Share :			
Basic (in Rs.)	38	0.54	0.50
Diluted (in Rs.)		0.54	0.50

The accompanying notes 1 to 40 are an integral part of our financial statements

As per Report of even date attached

For Mukund & Rohit
Chartered Accountants
Registration No. 113375W

For & on Behalf of The Board
Axel Polymers Limited

B.K. Bodhanwala
Chairman

Gaurav Thanky
Managing Director

Mukund Bakshi
Partner
Membership No: 041392

A.B. Bodhanwala
Director & CFO

Shailesh Bharvad
Company Secretary

Place: Vadodara
Date: 25.05.2018

Place: Vadodara
Date: 25.05.2018

CASH FLOW STATEMENT AS AT 31.03.2018

PARTICULARS		As at 31.3.2018	As at 31.03.2017
A CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax and extra ordinary items (Including Prior period adjustments)		2,865,111	2,553,306
Adjustments For:			
Depreciation		2,803,352	2,130,286
(Gain)/Loss on sale of Fixed Assets		9,158	(289,717)
Interest expense		7,908,676	9,315,706
Interest income		(345,695)	(1,611,417)
Operating Profit before working capital changes		13,240,602	12,098,164
Adjustment for (increase)/decrease in Operating assets			
Inventories		(10,700,434)	(16,661,773)
Trade Receivables		(6,750,997)	22,211,113
Non current trade receivables		2,538,850	(1,137,729)
Loans current as well as non current		127,018	33,082
Other Financial Asset-non current		220,048	(706,637)
Advance Income Tax Asset-non current		344,289	(15,732)
Deferred Tax Assets (Net)		-	-
Other Financial Asset-current		39,556	2,355,620
Advance Income Tax Assets (Net)-current		21,862	(463,707)
Other current Asset		(66,172)	293,399
Other non current Asset		400,000	-
Provisions Current as well as non current		252,434	466,916
Trade Payables-current		(5,347,694)	(8,156,973)
Other Financial Liability		(773,134)	554,783
Other current Liabilities		(501,981)	895,366
Cash Generated From Operations		(6,955,754)	11,765,894
Direct Tax Paid		(545,947)	(399,447)
Net Cash From Operating Activities	(A)	(7,501,701)	11,366,447
B CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(3,886,440)	(8,986,373)
Sale of Assets (Including Profit/loss)		110,000	365,000
Interest Income		345,695	1,611,417
Change in Bank Margin Money/FD Originally matured more than 3 months			
Net Cash From Investing Activities	(B)	(3,430,745)	(7,009,956)

CASH FLOW STATEMENT AS AT 31.03.2018

PARTICULARS		As at 31.3.2018	As at 31.03.2017
C CASH FLOWS FROM FINANCIAL ACTIVITIES			
Proceeds from long term borrowings		18,497,388	2,632,951
Proceeds from short term borrowings		(851,417)	(340,000)
Finance Cost		(7,908,676)	(9,315,706)
Net Cash From Financing Activities	(C)	9,737,295	(7,022,755)
Net increase/decrease in Cash and equivalents			
(A) + (B) + (C)	(D)	(1,195,150)	(2,666,264)
Opening balance of Cash and Cash equivalents	(E)	3,669,843	6,336,107
Closing balance of Cash and Cash equivalents	(D) + (E)	2,474,692	3,669,843
Cash and cash Equivalents include			
Cash in hand		171,573	73,418
Balance with Scheduled Bank			
- In Current Account		2,519	(55,075)
- In Deposit Account		2,300,600	3,651,500
(held as Margin Money having original maturity of less than 12 months)			
		2,474,692	3,669,843

Note :

- 1 The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Indian Accounting Standards (Ind AS) - 7 "Statement of Cash Flows"
- 2 Figures of the previous year have been regrouped / reclassified wherever necessary.
- 3 Figures for provision derived after adjustment for Other Comprehensive Income (OCI).

The accompanying notes 1 to 40 are an integral part of our financial statements

As per Report of even date attached

For Mukund & Rohit

Chartered Accountants
Registration No. 113375W

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

B.K.Bodhanwala
Chairman

Gaurav Thanky
Managing Director

Mukund Bakshi

Partner
Membership No: 041392

A.B.Bodhanwala
Director & CFO

Shailesh Bharvad
Company Secretary

Place: Vadodara
Date: 25.05.2018

Place: Vadodara
Date: 25.05.2018

Statement of Changes in Equity for the year ended on 31st March, 2018

Equity Share Capital

Particulars	Amount (Rs.)
Balance as on 1st April, 2016	43,000,000
Changes during the year	-
Balance as on 31st March, 2017	43,000,000
Changes during the year	-
Balance as on 31st March, 2018	43,000,000

Other Equity

Particulars	Reserves and Surplus		Total
	Retained Earnings	OCI	
Balance as at 1st April, 2016 (as previously reported)	(32,902,730.37)	-	(32,902,730.37)
Impact of Ind As adjustment to retained earnings	(24,985.00)	2,405.00	(22,580.00)
Restated Balance as at 1st April, 2016	(32,927,715.37)	2,405.00	(32,925,310.37)
Profit for the Year	2,153,859.36	-	2,153,859.36
Other Comprehensive Income for the Year (net of Tax)	-	(163,617.00)	(163,617.00)
Total Comprehensive Income for the year	2,153,859.36	(163,617.00)	1,990,242.36
Balance as at 31st March, 2017	(30,773,856.01)	(161,212.00)	(30,935,068.01)
Profit for the Year	2,319,164.24	-	2,319,164.24
Other Comprehensive Income for the Year (net of Tax)	-	248,476.00	248,476.00
Total Comprehensive Income for the Year	2,319,164.24	248,476.00	2,567,640.24
Balance as at 31st March, 2018	(28,454,691.77)	87,264.00	(28,367,427.77)

Notes to Financial Statement for the year ended on 31st March, 2018

NOTE:- 1 Corporate Information

Axel Polymer Limited is a company incorporated under the laws of the Republic of India with its registered office at 309, Mokshi, Sankarda – Savli Road, Savli , Vadodara-391780 having business of manufacturing Compounds, Blends and Alloys of Engineering, Specialty and Commodity Polymers since 1995.

Note:-2

2(A) Significant Accounting Policies

A.1 Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention on an accrual basis of accounting except following assets and liabilities which have been measured at fair value amount:

- i) Certain financial assets and liabilities, and
- ii) Defined benefit plans – plan assets

The financial statements of the company have been prepared to comply with the Indian Accounting Standards ('Ind AS'), including the rules notified under the relevant provisions of The Companies Act, 2013.

Up to the year ended March 31, 2017, the company has prepared its financial statements in accordance with the requirement of the Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

These financial statements are the Company's first Ind AS standalone financial statements.

A.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.

A.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.

A.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.

A.5 Property, Plant and Equipments

Property, Plant and Equipments are stated at cost, less accumulated depreciation and impairment, if any. It includes the direct costs attributable to bringing the assets to its working condition for its intended use.

Capital work-in-progress comprises of the cost of the 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.

The useful life of assets as adopted by the company as per new schedule II of the Companies act is listed as under:

Particulars	Useful Life
Building (Factory)	30
Building (Residential)	60
Plant and Machinery	8
Plant and Machinery (Twin Screw Extruder)	20*
Electrical Installations	10
Laboratory Equipment	10
Computers, Server & Networking Device	3
Furniture	10
Office equipment	5
Vehicles - Four Wheeler	8

*Based on an independent technical evaluation carried out by external valuer, the management believes that the useful life of Plant and machinery estimated best represent the period over which the management expects to use these assets. However the useful lives for these assets is different from that prescribed in schedule II of the Act.

A.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 / goods & service tax.
- 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.

A.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 (b) 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) Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of transaction. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item. (i.e. translation difference on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

A.8 Employee Benefits

- a) The Company's contribution in respect of provident fund is charged to Profit and Loss Account each year.
- b) The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation. The gratuity is paid @ 15 days salary for every completed year of service as per the payment of Gratuity Act 1972.

The gratuity liability amount is contributed to the Life Insurance Corporation of India (LIC) under LIC's Group Gratuity policy. The liability in respect of gratuity is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect post-employment are charged to the Other Comprehensive Income.

A.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.

A.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.

A.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.

A.12 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with the IND AS -33 '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.

A.13 Taxes on Income

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

- Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

- Deferred tax

Deferred tax is recognised on temporary difference between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

A.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.

A.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(B) First time adoption of IND AS

The Company has adopted INDAS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures of previous period has been restated, regrouped and reclassified wherever required to comply with the requirements of INDAS and Schedule III.

B.1. Exemption from retrospective application

i. Fair Value as deemed cost

The Company has elected to measure items of Property, Plant and Equipments and intangible assets at its carrying value at the transition date.

ii. Cumulative translation difference

The Company has elected to apply IND AS 21 – The Effect of Changes in Foreign Exchange Rate prospectively.

iii. Decommissioning Liabilities

The Company has elected to apply the transitional provision with respect to recognition of Decommissioning, Restoration and similar liabilities.

Notes to the Financial Statements

Note 3. Property, Plant and Equipment

P A R T I C U L A R S	G R O S S B L O C K				D E P R E C I A T I O N				N E T B L O C K	
	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2018	WDV as on 31.03.2017
Free Hold Land	2,987,286	-	-	2,987,286	-	-	-	-	2,987,286	2,987,286
Building	3,921,321	-	-	3,921,321	1,209,377	60,843	-	1,270,220	2,651,101	2,711,944
Factory Building	19,672,879	506,079	-	20,178,958	7,623,890	652,281	-	8,276,171	11,902,787	12,048,989
Plant & Machinery	65,340,531	906,915	-	66,247,446	53,754,331	1,199,111	-	54,953,442	11,294,004	11,586,200
Electrical Installations	3,383,757	227,298	-	3,611,055	2,379,767	105,415	-	2,485,182	1,125,873	1,003,990
Laboratory Equipments	5,148,280	101,500	-	5,249,780	1,766,302	428,960	-	2,195,262	3,054,518	3,381,978
Furniture & Fixtures	2,093,068	78,955	-	2,172,023	1,298,866	141,696	-	1,440,562	731,461	794,202
Data Processing Machines	1,556,264	66,678	-	1,622,942	1,497,002	41,517	-	1,538,519	84,423	59,262
Office Equipments	1,378,792	40,813	-	1,419,605	1,117,588	65,439	-	1,183,027	236,578	261,204
Vehicles	291,238	1,958,202	291,238	1,958,202	109,861	108,090	172,080	45,871	1,912,331	181,377
Grand Total(As on 31.03.2018)	105,773,416	3,886,440	291,238	109,368,618	70,756,984	2,803,352	172,080	73,388,256	35,980,362	35,016,432
Previous Year Figures										
(as on 31.03.2017)	97,862,106	9,120,444	1,209,134	105,773,416	69,760,548	2,130,286	1,133,851	70,756,984	35,016,432	28,101,558
Total (As on 01.04.2016)	97,976,789	668,508	783,191	97,862,106	67,690,811	2,462,878	-	69,760,548	28,101,558	30,285,978

Axel Polymers Limited

Note To Financial Statements

Amount Rs.

Particulars	For the year ended 31-03-2018	For the year ended 31-03-2017	As at 01-04-2016
4 Non current -Capital Work- in- progress			
Capital Work- in- progress	-	-	134,071
Total	-	-	134,071
5 Non current -Financial Asset -Trade Receivables			
Trade receivable	8,741,551	11,280,401	12,628,424
Less:- Provision For Bad and doubtful debts	-	-	-2,485,752
Total	8,741,551	11,280,401	10,142,672
6 Non current -Financial Asset -Loans			
Loan to Employees	1,502,375	1,652,975	1,682,975
Total	1,502,375	1,652,975	1,682,975
7 Non current - Financial Asset -Other Financial Assets			
Security Deposits	1,846,124	2,066,172	1,359,535
Total	1,846,124	2,066,172	1,359,535
8 Advance Income Tax Assets (Net)			
Tax Deducted at Source	739,675	1,083,964	1,068,232
Total	739,675	1,083,964	1,068,232
9 Deferred Tax Assets (Net)			
Deferred Tax Asset	782,211	782,211	782,211
MAT credit entitlement	662,674	662,674	662,674
Total	1,444,885	1,444,885	1,444,885
Deferred Tax Asset / Liability is worked out as under:			
Deferred Tax Liability on account of:			
Depreciation	11,517,196	11,373,180	10,773,187
Deferred Tax Asset on account of:			
Employee Benefits	355,340	1,007,511	792,497
Carried forward of unused Tax Losses	11,813,565	11,800,716	17,220,899
Depreciation	16,925,986	16,925,986	16,925,986
Deferred Tax Asset/ (Liability)	17,577,695	18,361,033	24,166,195
Rate of Tax	31	31	31
Deferred Tax Asset/ (Liability)	543,150,764	567,355,910	746,735,426
Amounts recognised in Balance Sheet for the Year (Refer note below)	-	-	-

Note:- The deferred Tax asset is not recognised during the year and previous year ,due to virtual uncertainty of future profit and has been restricted to such opening balance.

Axel Polymers Limited

Note To Financial Statements

Amount Rs.

Particulars	For the year ended 31-03-2018	For the year ended 31-03-2017	As at 01-04-2016
10 Other Non current Asset			
Capital advance	2,955,000	3,355,000	3,355,000
Total	2,955,000	3,355,000	3,355,000
11 Inventories			
(At lower of Cost or Net Realisable Value)			
Raw Material	50,632,159	41,996,432	33,382,805
Work in Process	2,598,300	2,186,475	89,104
Finished Goods	10,758,484	9,822,311	3,826,160
Consumables	3,884,900	3,168,191	3,213,567
Total	67,873,843	57,173,409	40,511,636
12 Current - Financial Asset-Trade receivables			
Trade receivable	27,003,831	20,362,834	42,573,947
(Amount includes receivables from related party Dhara Petrochemicals Pvt Ltd. amounting to Rs.222.29 Lacs in current year and Rs.49.64 Lacs in Previous year & V.R.Industries amounting to Rs. Nil in current year & Rs.104.83 Lacs in Previous year) (Refer to note no. 40 (ii) under notes on accounts)			
Others	110,000	-	-
Total	27,113,831	20,362,834	42,573,947
13 Current - Financial Asset-Cash and cash equivalents			
Cash in Hand	171,573	73,418	454,464
Balances with banks	2,303,119	3,596,425	5,881,643
Total	2,474,692	3,669,843	6,336,107
14 Current - Financial Asset -Loans			
Loans To Employees	35,500	11,918	15,000
Total	35,500	11,918	15,000
15 Current - Financial Asset-Other Financial Assets			
Interest Receivable	86,684	126,240	2,481,860
Total	86,684	126,240	2,481,860
16 Advance Income Tax Assets (Net)			
TDS Receivable	441,844	463,707	-
Total	441,844	463,707	
17 Other Current Asset			
Balances with statutory/Government authorities	-	524,964	995,844
Pre paid Expenses	165,235	112,828	115,952
Advances to Suppliers & Others	761,684	222,955	42,350
Total	926,919	860,747	1,154,146

Notes To The Financial Statements
18. Share Capital

Particulars	For the year ended 31.03. 2018		For the year ended 31.03. 2017		As at 01.04.2016	
	No. of Shares	Amount(Rs.)	No. of Shares	Amount(Rs.)	No. of Shares	Amount(Rs.)
AUTHORISED SHARE CAPITAL :		150,000,000		50,000,000		50,000,000
1,50,00,000 Equity Shares of Rs 10/- each						
(PY.50,00,000 Equity Shares of Rs. 10/- each)						
ISSUED ,SUBSCRIBED & PAID UP CAPITAL :						
43,00,000 Equity Shares of Rs.10 each fully paid up		43,000,000		43,000,000		43,000,000
(PY. 43,00,000 Equity Shares of Rs/ 10/-each)						
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.	No. of Shares	Amount Rs.
Opening Balance	4,300,000	43,000,000	4,300,000	43,000,000	4,300,000	43,000,000
Add: Fresh Issue	-	-	-	-	-	-
Closing Balance	4,300,000	43,000,000	4,300,000	43,000,000	4,300,000	43,000,000
Shareholders holding exceeding 5% shares	No. of Shares	%	No. of Shares	%	No. of Shares	%
Gaurav Thanky	223,867	5.21	223,867	5.21	199,000	4.63

Axel Polymers Limited

Note To Financial Statements

Amount Rs.

Particulars	For the year ended 31-03-2018	For the year ended 31-03-2017	As at 01-04-2016
19 Other Equity			
Retained Earnings	(28,454,692)	(30,773,856)	(32,927,715)
Other Comprehensive Income	87,264	(161,212)	2,405
Total	(28,367,428)	(30,935,068)	(32,925,310)
	Reserves and Surplus		
	Retained Earnings	OCI	Total
Computation of Other Equity			
Balance as at 1st April, 2016 (as previously reported)	(32,902,730)	-	(32,902,730)
Impact of Ind As adjustment to retained earnings	(24,985)	2,405	(22,580)
Restated Balance as at 1st April, 2016	(32,927,715)	2,405	(32,925,310)
Profit for the Year	2,153,859	-	2,153,859
Other Comprehensive Income for the Year (net of Tax)	-	(163,617)	(163,617)
Total Comprehensive Income for the year	2,153,859	(163,617)	1,990,242
Balance as at 31st March, 2017	(30,773,856)	(161,212)	(30,935,068)
Profit for the Year	2,319,164	-	2,319,164
Other Comprehensive Income for the Year (net of Tax)	-	248,476	248,476
Total Comprehensive Income for the Year	2,319,164	248,476	2,567,640
Balance as at 31st March, 2018	(28,454,692)	87,264	(28,367,428)
20 Non-Current Liabilities-Financial Liabilities-Borrowing			
Unsecured loans from Directors (Refer to note no. 40 (ii) under notes on accounts)	5,465,479	6,316,896	6,656,896
Total	5,465,479	6,316,896	6,656,896
21 Non-Current Liabilities-Financial Liabilities-Other Financial Liability			
Security Deposit (Interest Free Security Deposit from Company/Firm in which KMP is Interested)	47,875,000	47,875,000	47,875,000
Total	47,875,000	47,875,000	47,875,000
22 Non-Current Liabilities-Provision			
Provision for gratuity	644,883	785,722	707,811
Total	644,883	785,722	707,811
23 Current Liabilities - Financial Liabilities- Borrowing			
Bank of Baroda (Secured by Hypothecation of Stock, Book-Debts & Equitable Mortgage of Land & Building, Plant & Machinery & Personal Properties of Directors and Personal Guarantees of Directors. It carries interest rate @ 12% p.a.)	69,059,407	50,562,019	47,867,529
Loans to Employee	-	-	61,539
Total	69,059,407	50,562,019	47,929,068

Axel Polymers Limited

Note To Financial Statements

Amount Rs.

Particulars	For the year ended 31-03-2018	For the year ended 31-03-2017	As at 01-04-2016
24 Current Liabilities-Financial Liabilities-Trade Payables			
Trade Payable For Goods and Services			
Creditors - Capital Items	-	640,281	311,622
Creditors - Raw Material	9,199,634	12,899,784	22,158,680
Creditors - Services	1,478,026	2,603,719	1,927,185
Creditors - Expenses	995,232	876,801	780,072
(Amount includes Payable to related party Dhara Petrochemicals Pvt. Ltd. in current year Rs.25.43 Lacs) (Refer to note no. 40 (ii) under notes on accounts)			
Total	11,672,892	17,020,585	25,177,559
25 Current Liabilities -Financial Liabilities- Other Financial liabilities			
Reimbursement Of Expenses	48,253	-	-
Provision for Expenses	734,456	1,555,843	1,001,060
Total	782,709	1,555,843	1,001,060
26 Current Liabilities - Other Current Liabilities			
Statutory Liabilities	1,225,659	1,727,640	832,274
Total	1,225,659	1,727,640	832,274
27 Current Liabilities - Provision(s)			
Provision - Current Tax	545,947	399,447	-
Provision - Gratuity	258,738	260,441	107,266
Total	804,685	659,888	107,266
28 Revenue from Operations			
Sale of Products	249,341,721	203,167,596	-
Sale of Services	20,377,662	16,246,816	-
(TDS CY Rs. 4,09,063/-, PY Rs.4,23,787/-)			
Total	269,719,383	219,414,412	-
29 Other Income			
Interest Income	320,011	1,595,685	-
(TDS CY Rs. 32,781/-, PY Rs.39,919/-)			
Profit from sale of Fixed assets	-	289,717	-
Foreign Exchange gain	74,713	836,029	-
Miscellaneous Income	25,684	15,732	-
Total	420,407	2,737,163	-

Axel Polymers Limited

Note To Financial Statements

Amount Rs.

Particulars	2017-18	2016-17
30 Cost of Material Consumed		
Raw Material		
Opening Stock	41,996,432	33,382,805
Add : Purchases	228,998,965	183,229,507
Total	270,995,397	216,612,312
Less : Closing Stock	50,632,159	41,996,432
Raw Material Consumed	220,363,238	174,615,880
31 Excise duty on sale of goods		
Excise Duty	7,761,944	24,878,880
Total	7,761,944	24,878,880
32 Purchase of Stock in Trade		
TPU	-	2,199,568
Total	-	2,199,568
33 Changes in inventory of finished goods & work-in-process		
Closing Stock of :		
Finished Goods of Compounds of Engg. Polymers	10,758,484	9,822,311
Work in Process	2,598,300	2,186,475
Total	13,356,784	12,008,786
Opening Stock of :		
Finished Goods of Compounds of Engg. Polymers	9,822,311	3,826,160
Work in Process	2,186,475	89,104
Total	12,008,786	3,915,264
(Increase)/Decrease in Stock (A-B)	(1,347,998)	(8,093,522)
Less : Excise duty related to the difference between closing Stock and opening stock of finished goods	-	666,239
Total	(1,347,998)	(7,427,283)
34 Employees benefits		
Salary, Wages, Allowances & other benefits (Amount includes Director's remuneration and perquisite payable for Current year Rs.31.24 Lacs and for previous year Rs.30.64 Lacs) (Refer to note no. 40 (ii) under notes on accounts)	14,533,184	10,392,493
Gratuity	355,934	317,469
Contribution to Provident fund and other funds	31,567	128,764
Staff Welfare Expenses	8,400	76,653
Total	14,929,085	10,915,379

Note To Financial Statements

Amount Rs.

Particulars	2017-18	2016-17
35 Financial Cost		
Interest to Bank	6,516,163	6,644,819
Interest to Others	173,007	434,896
Net (gain)/loss on Forex	(91,715)	(278,910)
Bank charges	1,311,221	2,514,901
Total	7,908,676	9,315,706
36 Other Expenses		
Manufacturing Expenses		
Power & Fuel	9,535,636	8,130,523
Repairs & Maintenance - Plant & Machinery	823,495	438,440
Factory Expenses	282,638	98,001
Administrative & Others Expenses		
Clearing, Forwarding & Freight Charges	4,485,611	5,770,817
Consumption of Store & Spares	1,584,936	1,631,181
Insurance	257,217	228,422
Loss on sale of fixed Asset	9,158	-
Payment to Auditor		
For Audit Fee	350,000	225,000
Bad debts/ Provision for Bad debts*	-	6,159,385
Rates & Taxes	40,000	9,656
Repairs & Maintenance - Others	267,459	324,750
Other Expenses	4,982,177	4,832,559
Total	22,618,327	27,848,733

37 Financial instruments Disclosure

A Capital Management

The Company's objective when managing capital is to:

1. Safeguard its ability to continue as going concern so that the Company is able to provide maximum return to shareholders and benefits for other stakeholders; and
2. Maintain an optimal capital structure to reduce the cost of capital.

Gearing Ratio

The gearing ratio at end of the reporting period is as follows.

Axel Polymers Limited

Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Debt	5,465,479	6,316,896	6,656,896
Total Equity	14,632,572	12,064,932	10,074,690
Debt to Equity Ratio	0.37	0.52	0.66
1. Debt is defined as all Long Term Debt outstanding + Current Maturity outstanding in lieu of Long Term Debt. 2. Equity is defined as Equity Share Capital + Other Equity			
B Categories of Financial Instruments			
<u>Financial Assets</u>			
Measured at amortised cost			
(a) Trade and other receivables	35,855,382	31,643,235	52,716,619
(b) Cash and cash equivalents	2,474,693	3,669,843	6,336,108
(c) Other Bank balances	-	-	-
(d) Loans	1,537,875	1,664,893	1,697,975
(e) Other Financial Assets	1,932,808	2,432,412	3,841,395
<u>Financial Liabilities</u>			
Measured at amortised cost			
(a) Borrowings	74,524,886	57,118,915	54,585,964
(b) Trade Payables	11,672,892	17,020,585	25,177,559
(c) Other Financial Liabilities	47,923,253	47,875,000	47,875,000

C Financial Risk management objectives

The Company's businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, commodity price risk, foreign exchange risk, interest rate risk, counterparty and concentration of credit risk and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has a designated 'owner' within the Company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

The risk management process is coordinated by the Management Assurance function and is regularly reviewed by the Company's Audit Committee. The Audit Committee is aided by the CFO Committee and the Risk Management Committee, which meets regularly to review risks as well as the progress against the planned actions. Key business decisions are discussed at the periodic meetings of the CFO Committee and the Executive Committee. The overall internal control environment and risk management programme including financial risk management is reviewed by the Audit Committee on behalf of the Board.

"Liquidity Risk management"

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are required to be settled by delivering cash or another financial asset. The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. The management prepares annual budgets for detailed discussion and analysis of the nature and quality of the assumption, parameters etc.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Axel Polymers Limited

Particulars	< 1 year	> 1 & < 5 years	> 5 years	Total
As at 31st March, 2018				
Non - Current Financial Liabilities				
Borrowings	-	5,465,479	-	5,465,479
Other Financial Liabilities	-	47,875,000	-	47,875,000
	-	53,340,479	-	53,340,479
Current Financial Liabilities				
Borrowings	69,059,407	-	-	69,059,407
Trade Payables	11,672,892	-	-	11,672,892
Other Financial Liabilities	782,709	-	-	782,709
	81,515,007	-	-	81,515,007
Total Financial Liabilities	81,515,007	53,340,479	-	134,855,486
As at 31st March, 2017				
Non - Current Financial Liabilities				
Borrowings	-	6,316,896	-	6,316,896
Other Financial Liabilities	-	47,875,000	-	47,875,000
	-	54,191,896	-	54,191,896
Current Financial Liabilities				
Borrowings	50,562,019	-	-	50,562,019
Trade Payables	17,020,585	-	-	17,020,585
Other Financial Liabilities	1,555,843	-	-	1,555,843
	69,138,447	-	-	69,138,447
Total Financial Liabilities	69,138,447	54,191,896	-	123,330,343
As at 31st March, 2016				
Non - Current Financial Liabilities				
Borrowings		6,656,896		6,656,896
Other Financial Liabilities		47,875,000		47,875,000
		-		54,531,896
Current Financial Liabilities				
Borrowings	47,929,068			47,929,068
Trade Payables	25,177,559			25,177,559
Other Financial Liabilities	1,001,060			1,001,060
	74,107,687	-	-	74,107,687
Total Financial Liabilities	74,107,687	54,531,896	-	128,639,583

38 Earnings per Equity share

Particulars	"As at 31.03. 2018	"As at 31.03.2017
Profit After Tax for the year attributable to equity shareholders	2,319,164	2,153,859
Weighted average number of Equity shares	4,300,000	4,300,000
Basic and Diluted earnings per equity shares (Rs.)	0.54	0.50

39 First time Ind AS adoption - Reconciliation Effect of Ind AS adoption on the Balance Sheet as at March 31, 2017 and April 1, 2016

Particulars	As at 31st March, 2017			As at 1st April, 2016 (Date of transition)		
	Previous GAAP	Effect of transition to Ind AS	AS per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	AS per Ind AS Balance Sheet
ASSETS						
Non-current assets						
(a) Property, Plant and Equipment	35,016,432	-	35,016,432	28,101,558	-	28,101,558
(b) Capital Work in Progress	-	-	-	134,071	-	134,071
(d) Financial Assets						
(i) Trade Receivables	11,280,401	-	11,280,401	10,142,672	-	10,142,672
(ii) Loans	1,652,975	-	1,652,975	1,682,975	-	1,682,975
(iii) Other Financial Assets	2,066,172	-	2,066,172	1,359,535	-	1,359,535
(e) Advance Income Tax Assets (Net)	1,083,964	-	1,083,964	1,068,232	-	1,068,232
(f) Deferred Tax Assets (Net)	1,444,885	-	1,444,885	1,444,885	-	1,444,885
(g) Other non-current assets	3,355,000	-	3,355,000	3,355,000	-	3,355,000
	55,899,828	-	55,899,828	47,288,927	-	47,288,927
Current assets						
(a) Inventories	57,173,409	-	57,173,409	40,511,636	-	40,511,636
(b) Financial Assets						
(i) Trade Receivables	20,362,834	-	20,362,834	42,573,947	-	42,573,947
(ii) Cash and cash equivalents	3,669,843	-	3,669,843	6,336,107	-	6,336,107
(iv) Loans	11,918	-	11,918	15,000	-	15,000
(v) Other Financial Assets	126,240	-	126,240	2,481,860	-	2,481,860
(c) Advance Income Tax Assets (Net)	463,707	-	463,707	-	-	-

39 First time Ind AS adoption - Reconciliation Effect of Ind AS adoption on the Balance Sheet as at March 31, 2017 and April 1, 2016

Particulars	As at 31st March, 2017			As at 1st April, 2016 (Date of transition)		
	Previous GAAP	Effect of transition to Ind AS	AS per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	AS per Ind AS Balance Sheet
(e) Other current assets	860,747	-	860,747	1,154,146	-	1,154,146
Total	82,668,697	-	82,668,697	93,072,696	-	93,072,696
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	43,000,000	-	43,000,000	43,000,000	-	43,000,000
Other Equity	(30,896,416)	(38,652)	(30,935,068)	(32,902,730)	(22,580)	(32,925,310)
	12,103,584	(38,652)	12,064,932	10,097,270	(22,580)	10,074,690
Liabilities						
Non-Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	6,316,896	-	6,316,896	6,656,896	-	6,656,896
(iii) Other Financial Liabilities	47,875,000	-	47,875,000	47,875,000	-47,875,000	
(b) Provisions	557,511	228,211	785,722	792,497	(84,686)	707,811
Total A	54,749,407	228,211	54,977,618	55,324,393	(84,686)	55,239,707
Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	50,562,019	-	50,562,019	47,929,068	-	47,929,068
(ii) Trade payables	17,020,585	-	17,020,585	25,177,559	-	25,177,559
(iii) Other Financial liabilities	1,555,843	-	1,555,843	1,001,060	-	1,001,060

39 First time Ind AS adoption - Reconciliation Effect of Ind AS adoption on the Balance Sheet as at March 31, 2017 and April 1, 2016

Particulars	As at 31st March, 2017			As at 1st April, 2016 (Date of transition)		
	Previous GAAP	Effect of transition to Ind AS	AS per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	AS per Ind AS Balance Sheet
(b) Other current liabilities	1,727,640	-	1,727,640	832,274	-	832,274
(c) Provisions	849,447	(189,559)	659,888	-	107,266	107,266
Total B	71,715,534	(189,559)	71,525,975	74,939,961	107,266	75,047,227
Total Liabilities (A+B)	126,464,941	38,652	126,503,593	130,264,354	22,580	130,286,934
Total Equity and Liabilities	138,568,525	-	138,568,525	140,361,623	-	140,361,623

39 First time Ind AS adoption - Reconciliation Effect of Ind AS adoption on the Balance Sheet as at March 31, 2017 and April 1, 2016

Particulars	Note No.	For the year ended 31st March, 2017	Effect of transition to Ind AS	As per Ind AS P & L
I Revenue from operations		244,293,292	-	244,293,292
II Other Income		2,737,163	-	2,737,163
III Total Income (I+II)		247,030,455	-	247,030,455
IV EXPENSES				
Cost of materials consumed		174,615,880	-	174,615,880
Excise duty on sale of goods		24,878,880	-	24,878,880
Purchase of Stock in trade		2,199,568	-	2,199,568
Changes in inventory of finished goods & work-in-progress		(7,427,283)	-	(7,427,283)
Employee Benefits Expense		11,062,924	(147,545)	10,915,379
Finance Costs		9,315,706	-	9,315,706
Depreciation and Amortization Expense		2,130,286	-	2,130,286
Other Expenses		27,848,733	-	27,848,733
Total Expenses (IV)		244,624,693	(147,545)	244,477,148
V Profit Before Exceptional items and Tax (III-IV)		2,405,761	147,545	2,553,306
VI Exceptional Items				
VII Profit Before Tax (V-VI)		2,405,761	(147,545)	2,553,306
VIII Tax Expense:				
(a) Current Tax		399,447	-	399,447
(b) Minimum alternate tax credit entitlement			-	
(c) Deferred Tax			-	
IX Profit for the Year (VII-VIII)		2,006,314	(147,545)	2,153,859

39 First time Ind AS adoption - Reconciliation Effect of Ind AS adoption on the Balance Sheet as at March 31, 2017 and April 1, 2016

Particulars	Note No.	For the year ended 31st March, 2017	Effect of transition to Ind AS	As per Ind AS P & L
X Other Comprehensive Income (OCI)				
(i) Re-measurement of the Defined Benefit Plans		-	163,617	163,617
(ii) Deferred Tax Impact on above Ind As adjustment		-	-	-
Total of Other Comprehensive Income (OCI) (X)		-	163,617	163,617
XI Total Comprehensive Income for the Year (IX+X)		2,006,314	16,072	2,317,476
XII Earnings Per Equity Share :				
Basic (in Rs.)		0.47	-	0.50
Diluted (in Rs.)		0.47	-	0.50

Note 40

- i. 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.
- ii. Disclosure of related party transaction as required by INDAS – 24 Related Party Disclosure: Key Management Personnel and their relatives as on 31.03.2018 are as under:

Relationship	Name
Whole-time Director	Mr B.K. Bodhanwala
Managing Director	Mr Gaurav Thanky
Non-Executive Director	Dr M.A. Bodhanwala
Director & CFO (KMP)	Mr. A.B. Bodhanwala
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.

Axel Polymers Limited

Transactions with Key Personnel during the year:

Amount in Rs.

Particulars	Nature of Payment	2017-18	2016-17
B.K. Bodhanwala	Managerial Remuneration	3,00,000	3,00,000
	Loan Repaid	-	-
	Guarantees given	9,00,00,000	9,00,00,000
	Closing Balance of Unsecured loan	30,04,254	30,04,254
A.B. Bodhanwala	Managerial Remuneration	15,00,000	15,00,000
	Loan received	19,58,202	-
	Loan repaid	28,09,619	1,00,000
	Guarantees given	9,00,00,000	9,00,00,000
	Interest	-	-
	Closing Balance of unsecured loan	24,61,225	33,12,642
M.A. Bodhanwala	Guarantees Given	9,00,00,000	9,00,00,000
Gaurav Thanky	Managerial Remuneration	12,00,000	12,00,000
	Guarantees given	9,00,00,000	9,00,00,000
Dhara Petrochemicals Pvt Ltd	Purchase of goods	18,62,82,043	11,60,85,667
	Sales of goods	25,20,89,725	13,83,19,388
	Security deposit	3,57,64,000	3,57,64,000
	Closing balance on account of purchase	25,42,900	-
	Closing balance on account of Sale	2,22,29,123	49,63,872
V.R. Industries	Purchase of goods	8,58,244	1,56,85,418
	Sales of goods	-	6,74,93,653
	Security deposit	1,21,11,000	1,21,11,000
	Closing balance on account of Sale	-	1,04,82,751

iii. CIF VALUE OF IMPORTS

Particulars	2017-18 Amount (Rs.)	2016-17 Amount (Rs)
CIF Value of Imports	1,98,44,422	5,74,57,693

iv. Expenditure / Earning in Foreign Currency: Nil (P.Y. Nil).

v. Contingent Liabilities:

Particulars	2017-18 Amount (Rs.)	2016-17 Amount (Rs)
Income Tax Demand – TDS/TAX	10,13,000	10,13,000

vi. As per the IND AS -19 “Employee Benefits”, the disclosure as defined are given below:

Defined Benefit Plan

I) Reconciliation of opening and closing balances of Defined Benefit Obligation

Particulars	Gratuity	
	2017-18	2016-17
Defined Benefit obligation at the beginning of the year	14,57,129	9,70,755
Current Service Cost	2,60,441	2,43,062
Interest Cost	90,654	74,090
Actuarial Gain / (Loss)	(2,54,842)	1,69,222
Past Service cost	29,409	-
Benefits paid	(47,654)	-
Defined Benefit obligation at the end of the year	15,35,137	14,57,129

II) Reconciliation of opening and closing balances of fair value of Plan Assets

Particulars	Gratuity	
	2017-18	2016-17
Fair Value of Plan Assets at the beginning of the year	4,10,966	1,55,678
Return on Plan Assets	18,798	5,605
Actuarial Gain / (Loss)	-	-
Employer Contribution	2,49,406	2,49,683
Benefits paid	(47,654)	-
Fair value of Plan Assets at year end	6,31,516	4,10,966

III) Reconciliation of fair value of Assets and Obligation

Particulars	Gratuity	
	2017-18	2016-17
Fair Value of Plan Assets	6,31,516	4,10,966
Present value of obligation	15,35,137	14,57,129
Amount recognized in Balance Sheet (Surplus / (Deficit)	(9,03,621)	(10,46,163)

IV) Expenses recognized during the year

Particulars	Gratuity	
	2017-18	2016-17
Current Service Cost	2,60,441	2,43,062
Interest Cost	65,490	74,090
Past Service Cost and Loss (Gain) on curtailment and settlement	29,409	-
Total included in :Employee Benefit Expenses	3,55,340	3,17,152

V) Actuarial assumption

Particulars	Gratuity	
	2017-18	2016-17
Discount Rate	7.60%	7.15%
Salary Growth Rate	7.00%	7.00%
Withdrawal Rates	10% at younger ages reducing to 2% at older ages	10% at younger ages reducing to 2% at older ages

VI) Sensitivity Analysis

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Increase	Decrease	Increase	Decrease
Change in Discounting Rate (delta effect of +/-0.5%)	14,83,324	15,90,679	14,05,611	15,12,103
Change in Salary Growth Rate (delta effect of +/-0.5%)	15,90,535	14,82,921	15,11,919	14,05,310
Change in Withdrawal rate (delta effect of +/-0.1%)	15,32,143	15,38,036	14,54,667	14,59,623

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

- vii. Previous year's figures have been regrouped, rearranged or re-casted wherever necessary.
- viii. The outstanding balances of Trade Payables, Unsecured Loans, Trade Receivables, Deposits and Loans & Advances are subject to confirmation.

As per our Report of even date.

For Mukund & Rohit
Chartered Accountants
Registration No. 113375W

For & on Behalf of The Board
Axel Polymers Limited

B.K.Bodhanwala
Chairman

Gaurav Thanky
Managing Director

Mukund Bakshi
Partner
Membership No: 041392

A.B.Bodhanwala
Director & CFO

Shailesh Bharvad
Company Secretary

Place: Vadodara
Date: 25.05.2018

Place: Vadodara
Date: 25.05.2018



**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, Dist. Vadodara-391780. Email : cs@axelindia.com
Gujarat

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
3. 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 **26th Annual General Meeting** of the Company, to be held on Thursday, the 27th September, 2018 at 9.00 a.m. at 309, Mokshi, Sankarda-Savli Road, Tal. Savli, Dist. Vadodara, Gujarat and at any adjournment thereof in respect of such Resolutions as are indicated below:

Axel Polymers Limited

Sr. No.	Resolution	For	Against
1	Ordinary Business: To receive, consider and adopt the Audited Financial Statements for the year ended on 31.03.2018 together with the Reports of the Auditors' and Board's thereon.		
2.	To appoint a Director in place of Mr. A.B. Bodhanwala having (DIN: 00421362), who retires by rotation and being eligible offers himself for re-appointment.		
3.	To ratify appointment of M/s. Mukund & Rohit, Chartered Accountants, as Statutory Auditors of the Company from the conclusion of 26th Annual General Meeting till the conclusion of 30th Annual General Meeting of the Company & to fix their remuneration.		
4.	Special Business To appoint Mr. Jayendra H. Desai (DIN : 02213677) as a Non-Executive Independent Director of the Company		

Signed this..... day of..... 2018

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.