



# AVI POLYMERS LIMITED

ANNUAL REPORT

2016-17

**AVI POLYMERS LIMITED****Annual Report 2016-17****BOARD OF DIRECTORS**

Mr. Mansukh Patel  
Chairman & Managing Director

Mr. Dinesh Chauhan  
Independent Director

Mr. Maulik Shah  
Independent Director

Mr. Jayesh Dave  
Independent Director

Ms. Monika Shah  
Director

**Chief Financial Officer**

Mr. Mitesh Meghani

**Company Secretary & Compliance officer**

Ms. Monika Shah

**AUDITORS**

M/s. S.S. Dasani & CO.  
Chartered Accountants  
288, New cloth market,  
Ahmedabad-380002

**BANKER**

State Bank of India

Colour Merchant Co.OP. Bank

**REGISTERED OFFICE:**

At Ambica Compound  
Old H B Road,  
Ranchi-834001  
Jharkhand.

**CORPORATE OFFICE:.**

103, Nalanda Complex,  
Premchand Nagar Road,  
Vastrapur,  
Ahmedabad 380015  
Gujarat.

**SHARE TRANSFER AGENT**

MCS SHARE TRANSFER AGENT  
LIMITED

12/1/5, Manoharpukar Road,  
Ground Floor,  
Kolkata-700026  
West Bengal.

**AVI POLYMERS LIMITED**

Registered Office: At Ambica Compound, Old H B Road, Ranchi – 834 001

Mobile: +91 7048360390, e-mail: [avipolymer@gmail.com](mailto:avipolymer@gmail.com)

Website: [www.avipolymers.com](http://www.avipolymers.com) CIN: L27204JH1993PLC005233

**NOTICE**

Notice is hereby given that the 24<sup>th</sup> Annual General Meeting of the members of AVI Polymers Limited will be held at 11.00 a.m. on **Friday the 29<sup>th</sup> September, 2017** at the Registered Office of the Company situated at At Ambica Compound, Old H B Road, Ranchi – 834 001 to transact the following business.

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2017 and Statement of Profit & Loss Account and Cash Flow Statement for the year ended on 31<sup>st</sup> March, 2017 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Mansukh Patel (DIN: 00162160) who retires by rotation and being eligible seeks re-appointment.
3. Ratification of Appointment of Auditors  
To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 139,142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of M/S S.S. Dasani & Co., ( Firm Registration No. 116521W) , Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twenty-fifth AGM of the Company to be held in the year 2018 to examine and audit the accounts of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

**SPECIAL BUSINESS:**

4. **To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to provisions of section 196, 197 and 203 read with Companies (Appointment and Remuneration of managerial personnel) Rules, 2014 and Schedule V and other applicable provisions, if any, of the Companies Act 2013 (including any statutory modifications or re-enactment(s) thereof for the time being in force), consent is hereby accorded to extend term of Mr. Mansukh Patel (DIN: 00162160) as a Managing Director of the company for the further period of five years with effect from 30<sup>th</sup> September, 2016 without any

remuneration and on such other terms and conditions as may be mutually agreed between the board of directors of the company and Mr. Mansukh Patel.”

“**FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution any director and Company Secretary of the Company be and is hereby authorised to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns along with filing of necessary E-form with the Registrar of Companies, Jharkhand.”

**BY ORDER OF THE BOARD OF DIRECTORS OF  
AVI POLYMERS LIMITED  
CIN: L27204JH1993PLC005233**

**Place: Ahmedabad**

**Date: 02/09/2017**

**Mansukh Patel  
Chairman and Managing Director  
DIN:00162160**

**Notes:**

- 1 An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed as Annexure C hereto.
- 2 A member entitle to attend and vote is entitle to appoint a proxy to attend and vote on poll on his/her behalf and the Proxy need not be member of the company. Pursuant to Section 105 of the Companies Act, 2013, a person can act as Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the company. Members holding more than ten percent of the total share capital of the company may appoint a single person as Proxy, who shall not act as Proxy for any other Member. The Instrument of Proxy, in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this report.
- 3 Corporate members intending to send their authorized representative to attend the meeting are requested to send a certified true copy of the Board resolution to the company, authorizing their representative to attend and vote on their behalf at the meeting.
- 4 The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), of the person seeking re-appointment as Director under Item No. 2 of the Notice, are also annexed as Annexure A hereto.
- 5 Members/ proxies should bring attendance slip, duly filled in, for attending the meeting. As proxy form and route map of venue of the 24<sup>th</sup> Annual General Meeting are annexed hereto.

- 6 Members / proxies attending the meeting should bring their copy of the Annual Report for reference at the meeting as Copies of Annual Report will not be distributed at the Annual General Meeting. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote at the meeting.
- 7 The Register of Members and Share Transfer books of the company will remain closed from **Monday 25<sup>th</sup> September, 2017 to Friday 29<sup>th</sup> September, 2017.**(both days inclusive).
- 8 Members desirous of obtaining any information concerning the accounts and operations of the company are requested to address their questions to the company so as to reach at least 7 days before the date of the meeting, so that the information required will be made available at the meeting, to the best extent possible.
- 9 All documents referred to in the notice and the explanatory statement requiring the approval of the members at the meeting and other statutory register shall be available for inspection by the Members at the registered office of the company during office hours on all working days between 11.00 am to 1.00 p.m. on all days except Saturdays, Sundays and public holiday, from the date hereof up to the date of the annual general meeting.
- 10 The Notice of the 24<sup>th</sup> Annual General Meeting with instruction for e-voting, along with attendance slip and proxy form is being dispatched to the Members by Post (and electronically by e-mail to those Members who have registered their e-mail IDs with the Company /Depositories), unless any member has requested for physical copy of the Annual Report. Members may also note that the notice of the AGM for the year ended on 31<sup>st</sup> March, 2017 and the annual report 2016-17 will be available on the company's website [www.avipolymers.com](http://www.avipolymers.com)
- 11 Members are entitled to make nomination in respect of shares held in physical form. Members desirous of making nominations are requested to send their requests in Form SH-13 (specimen available on request) to the registered office of the Company. Members holding shares in electronic mode may contact their respective Depository Participants for availing the nomination facility.
- 12 The Securities Exchange Board of India has mandated the submission of PAN by every participant in the Securities Market. Members holding securities in electronic form are requested to submit their PAN to their Depository Participants. Members holding shares in physical form are required to submit PAN to Company.
- 13 Members who have not registered their email address with our Registrar and Transfer Agent MCS Share Transfer Agent Limited, if shares are held in physical mode or with their Depository Participants, if shares are held in electronic mode are requested to do so for receiving all future communications from the company including Annual Report, Notices, Circulars, etc, electronically.
- 14 **Voting through electronic means:** In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 24<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting. The Company has signed an agreement with National Securities

Depository Limited for facilitating such e-Voting by the Members. Kindly note that each Member can opt for only one mode for voting i.e. either by polling paper or by E-voting. However, in case members cast their vote both via Polling paper and e-voting, then voting through e-voting shall prevail and voting done by polling paper shall be treated as invalid. The detailed instructions for e-voting are given in the Annexure.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
AVI POLYMERS LIMITED  
CIN: L27204JH1993PLC005233**

**Place: Ahmedabad  
Date: 02/09/2017**

**Mansukh Patel  
Chairman and Managing Director  
DIN: 00162160**

**ANNEXURES TO THE NOTICE****ANNEXURE: A**

**Details of the Director retiring by rotation and seeking Re-appointment at the 24<sup>th</sup> Annual General meeting pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard: 2 (SS:2) issued by ICSI and approved by the Central Government.**

Name of the Director	Mr. Mansukh Patel
Father's Name	Ratan Patel
Date of Birth	24/08/1972
Qualification	Bachelor of Commerce
Date of Joining the Board of Director of the Company	01/03/1993
Number of Shares held in the Company	2,08,000
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	Nil
Other Chairmanship / Membership of Committees of Board	Audit Committee Stakeholders Relationship Committee
Specific Functional Area	Accounts, Administrative and Finance
Relationship with Directors / inter-se KMP	He is the promoter of the company
Experience	24 Years
Terms and Conditions of appointment	Liabile for retire by rotation
Remuneration sought to be paid and last drawn	NIL
Number of meeting of Board of Directors attended during the year	6 ( Six)

**ANNEXURE: B****Instructions for the voting through electronic means from the place other than venue of Annual General Meeting (Remote e-voting)**

Members are requested to follow the below instructions to cast their vote through remote e-voting at ensuing 24<sup>th</sup> Annual General Meeting of the members of the company scheduled to be held on Friday , 29<sup>th</sup> September, 2017 at 11.00 a.m. at At. Ambica & co. Old H.B. Road Ranchi, Jharkhand- 834001

1. The remote e-voting period commences on 26<sup>th</sup> September, 2017 (9:00 am) and ends on 28<sup>th</sup> September, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22<sup>nd</sup> September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
2. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)] :
  - i. Open email and open PDF file viz; **“e-voting.pdf”** with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
  - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - iii. Click on Shareholder – Login
  - iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - vii. Select “EVEN” of “AVI Polymers Limited”.
  - viii. Now you are ready for remote e-voting as Cast Vote page opens.
  - ix. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
  - x. Upon confirmation, the message “Vote cast successfully” will be displayed.
  - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
  - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [jalankesh@gmail.com](mailto:jalankesh@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
3. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:
  - (i) Initial password is provided as below/at the front of this letter

**EVEN (Remote e-voting Event Number)****USERID****PASSWORD/PIN**



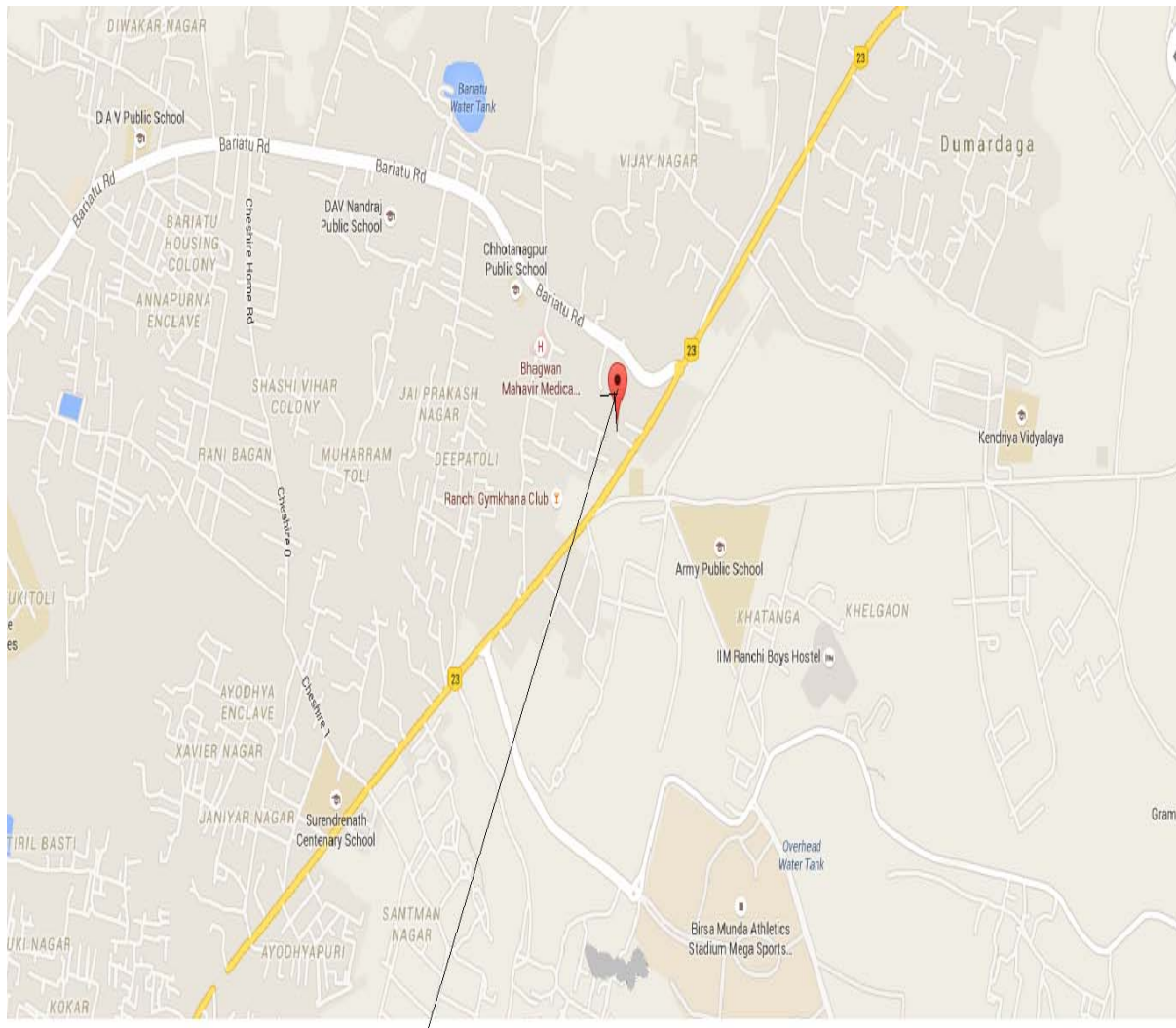
- (ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) Above, to cast vote.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
  5. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
  6. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  7. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off date of 22<sup>nd</sup> September, 2017**.
  8. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e **22<sup>nd</sup> September, 2017** may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  9. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following **toll free no.: 1800-222-990**.
  10. For the person who receives this notice and who is not a member as on the cut-off date **22<sup>nd</sup> September, 2017** should treat this notice for information purpose only.
  11. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
  12. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.
  13. Mr. Alkesh Jalan, Practicing Company Secretary (Membership No. ACS: 15677 CP: 4580) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  14. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  15. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  16. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.avipolymers.com](http://www.avipolymers.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited where the shares of the company are listed.

**ANNEXURE C****Explanatory Statement Pursuant to section 102 of the Companies Act, 2013 in respect of resolution at item no.4.**

The Board of Directors at its meeting held on 30<sup>th</sup> September, 2016 extended terms of Mr. Mansukh Patel (DIN:00162160) as Managing Director of the company for the period of five years with effect from 30<sup>th</sup> September,2016 subject to approval of shareholders.

Mr. Mansukh Patel (DIN: 00162160) is a director of the company since incorporation. He looks after day to day operations and administration of the company. A brief profile of Mr. Mansukh Patel (DIN: 00162160) including his nature of expertise is as follows:

Name of the Director	Mr. Mansukh Patel
Father's Name	Ratan Patel
Date of Birth	24/08/1972
Qualification	Bachelor of Commerce
Date of Joining the Board of Director of the Company	01/03/1993
Number of Shares held in the Company	2,08,000
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	Nil
Other Chairmanship / Membership of Committees of Board	Audit Committee Stakeholders Relationship Committee
Specific Functional Area	Accounts, Administrative and Finance
Relationship with Directors / inter-se KMP	He is the promoter of the company
Experience	24 Years
Terms and Conditions of appointment	As per Resolution passed by the Board of directors of the company dated 30 <sup>th</sup> September,2016
Remuneration sought to be paid and last drawn	NIL
Number of meeting of Board of Directors attended during the year	6 ( Six)

**Route map to the Venue of the AGM****Address of Registered office**

At.Ambica& co.  
Old H.B. Road,  
Ranchi. Jharkhand-834001

## DIRECTORS' REPORT TO THE MEMBERS

The directors take pleasure in presenting their 24<sup>th</sup> Annual Report together with the audited financial statements for the Year ended March 31<sup>st</sup>, 2017. The Management Discussion and Analysis has also been incorporated into this report.

### 1. Financial summary or highlights/Performance of the Company

Particulars	Year Ended	Year Ended
	31.03.2017	31.03.2016
	Amount (Rs)	Amount (Rs)
Profit before Finance costs, Depreciation and Amortization Expenses	53116	66515
<u>Less:</u>		
Finance Cost	(3697)	(4972)
Depreciation and Amortization expenses	-	-
Profit before Exceptional item and Extraordinary Item	49419	61543
Exceptional Item	0	0
Extraordinary Item	0	0
<u>Provision for taxation:</u>		
Current tax	29223	11800
Less: MAT Credit entitlement	29223	11800
Deferred tax	(4,606,059)	0
<u>Profit/(Loss) for the period</u>	4,655,478	61543
Add: Balance of profit /(Loss) brought forward from previous year	(118,71,712)	(11,933,255)
Loss carried to the Balance sheet	(7,216,234)	(118,71,712)

## **2. Performance Review**

During the financial year company has reported total revenue of Rs.134.55 lakhs as against the total revenue of Rs. 423.69 lakhs in the previous year. Net profit of the company during the current financial year stands at Rs. 46.55 lakhs as against profit of Rs. 0.62 lakhs in the previous year.

## **3. Dividend**

Directors do not recommend any dividend for the year.

## **4. Share capital**

The issued Equity Share capital as on 31<sup>st</sup> March, 2017 is Rs.560.73 Lacs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. Paid up Equity capital of the company as on 31<sup>st</sup> March, 2017 stands at Rs.409.07 lakhs.

## **5. Transfer to Reserves**

The board of directors has decided to retain entire of profits in the Profit and Loss account.

## **6. Directors' Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year as on 31/03/2017 and of the profit of the company for that period.
- iii. The Directors have 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.

- iv. The Directors have prepared the annual accounts on a going concern basis.
- v. 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.
- vi. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **7. Listing on Stock Exchanges**

Your Company's shares are listed on BSE Limited.

## **8. Subsidiary, Associate and Joint Venture:**

The Company does not have any subsidiary, associate and joint venture.

## **9. Corporate Governance**

As per Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the provisions of corporate governance are not applicable to the company as company has not attained the prescribed limit as mentioned hereunder:

The Corporate Governance norms shall not be mandatory for companies having paid up capital not exceeding Rs. 10 Crores and net worth not exceeding Rs. 25 Crores as on the last day of the previous financial year.

## **10. Management Discussion and Analysis Report:**

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange, the Management Discussion and Analysis report form part of the Annual Report and is annexed herewith as **Annexure D**.

### **11. Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/S Jalan Alkesh & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. No adverse comments have been made in the said report by the Practicing Company Secretary. The Secretarial Audit Report is annexed herewith as “Annexure E”.

### **12. Extract of the Annual Return and other disclosures under Companies (Appointment & Remuneration) Rules, 2014**

The Extract of Annual Return in form No. MGT-9 as per Section 134 (3) (a) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules 2014 and Rule 12 of Companies (Management & Administration) Rules, 2014 is annexed herewith as “Annexure F” and forms part of this report.

Further the Disclosure in the Board Report under Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is also annexed herewith as “Annexure G” and forms part of this report.

### **13. Declaration on Independent Directors**

The Board of Directors declares that the Independent Directors Mr. Maulik Shah, Mr. Jayesh Dave and Mr. Dinesh Chauhan are:

- a. in the opinion of the Board, are persons of integrity and possesses relevant expertise and experience;
- b. (i) who were not a promoter of the company or its holding, subsidiary or associate company  
(ii) who are not related to promoters or directors in the company, its holding, subsidiary or associate Company;
- c. Who have or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year;
- d. None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company or their promoters,

or directors, amounting to two percent or more of its gross turnover of total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

- e. Who, neither himself nor any of his relatives -
  - i. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial year immediately preceding the financial year in which he is proposed to be appointed;
  - ii. is or has been an employee or propriety or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of –
    - a. a firm of auditors or company secretaries in practice or cost auditors or the company or its holding, subsidiary or associate company; or
    - b. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
  - iii. holds together with his relative two per cent, or more of the total voting power of the company; or
  - iv. is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
- f. Who possesses such other qualification as may be prescribed.

#### **14. Particulars of Loans, guarantees or investments**

Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in the Annual Report. The loans and advances mentioned in the financial statement have been given for business purpose.



**15. Deposits**

Your company has not accepted deposits from public as envisaged under Sections 73 to 76 of Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

**16. Related Party Transactions**

No related party transactions had taken place during the year under review.

**17. Conservation of energy, technology absorption, foreign exchange earnings and outgo.**

The company has no activities relating to conservation of energy and technology absorption. The company has no actual foreign earnings and outgo.

**18. Risk Management Policy implementation**

The Company has developed comprehensive risk management policy and same is reviewed by the Audit Committee, which in turn, informs the Board about the risk assessment and minimization procedures. Major risks identified for the Company by the management are Currency fluctuation, Compliance, Regulatory changes, Manufacturing & Supply, Litigation, Information Technology and new capital investments return. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialise. Since the risk control frame work is new to Indian Corporate Culture, it is being strengthened on continuous basis.

**19. Corporate social responsibility**

Section 135 of the Companies Act, 2013 has imposed CSR mandate on companies having minimum threshold limit of net worth, turnover or net profit as prescribed. Since the company does not meet any one of these criterion, it remains outside the purview of Section 135 and consequently the reporting requirements thereunder do not at present apply to us.

The company however as a responsible corporate citizen has constituted a CSR Committee and formulated a CSR policy. Its CSR Policy on voluntary basis is furnished in **Annexure- H** forming part of this report.

**20. Remuneration Policy**

The company’s policy relating to appointment of directors, payment of managerial remuneration, directors’ qualifications, positive attributes, independence of directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure - I** and is attached to this report.

**21. Committee(s) of Board of Directors:**

**a. Audit Committee**

The audit committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013. The details pertaining to composition of audit committee are as follows:

Sr. No.	Name of the members	Category
1.	Mr. Dinesh Chauhan	Chairman & Non Executive Independent Director
2.	Mr. Mansukh Patel	Executive & Non Independent Director
3.	Mr. Maulik Shah	Non Executive – Independent Director

**b. Stakeholder Relationship Committee**

The details pertaining to composition of the Stakeholder Relationship Committee in compliance with section 178 of the Companies Act, 2013:

Sr. No.	Name of the members	Category
1.	Mr. Dinesh Chauhan	Chairman & Non Executive Independent Director
2.	Mr. Mansukh Patel	Executive & Non Independent Director
3.	Mr. Jayesh Dave	Non Executive – Independent Director

**c. Nomination And Remuneration Committee**

The details pertaining to composition of the Nomination and Remuneration Committee in compliance with section 178 of the Companies Act, 2013:

Sr. No.	Name of the members	Category
1.	Mr. Dinesh Chauhan	Chairman & Non Executive Independent Director
2.	Mr. Maulik Shah	Non Executive – Independent Director

3.	Mr. Jayesh Dave	Non Executive – Independent Director
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**22. Board Meetings:**

Sr. No.	Date of Meeting
1	27.05.2016
2	11.08.2016
3	26.08.2016
4	30.09.2016
5	09.11.2016
6	13.02.2017

**23. Internal Control Systems and their Adequacy:**

The company has an adequate system of internal financial control procedures which is commensurate with the size and nature of business. The internal control systems including financial control system of the company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the audit committee and also generally placed before the board.

**24. Disclosure under the Sexual Harassment of Women at Workplace( Prevention, Prohibition and Redressal) Act, 2013**

The company has in place an Anti harassment policy in line with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Any complaint/ grievances from women employees are reported to Chairman and Managing Director. All employees (Permanent, contractual, temporary, trainees) are covered under the policy. There was no complaints received from any employee during the financial year 2016-17 and no complaint is outstanding as on 31/03/2017.

**25. Directors:**

**A) Changes in Directors and Key Managerial Personnel**

**Retirement by Rotation**

Mr. Mansukh Patel (DIN: 00162160) Director of Company shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

**B) Formal Annual Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees.

**26. Auditors**

Pursuant to the provisions of section 139 of the Act and the rules framed thereafter, M/s. S. S. Dasani & Co., Chartered Accountants, were appointed as statutory auditors of the Company from the conclusion of the 22<sup>nd</sup> annual general meeting (AGM) of the Company held on August 28, 2015 till the conclusion of the AGM to be held in the year 2020 subject to ratification of their appointment at every AGM.

**27. Vigil Mechanism**

In accordance with the requirements of the Act, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a Vigil Mechanism approved by the Board of Directors. The objectives of the policy are:

To provide a mechanism for employees and directors of the Company and other persons dealing with the Company to report to the Audit Committee; any instances of unethical behavior, actual or suspected fraud or violation of the Company's Ethics Policy.

To safeguard the confidentiality and interest of such employees/directors/other persons dealing with the Company against victimization, who notice and report any unethical or improper practices.

To appropriately communicate the existence of such mechanism, within the organization and to outsiders. Vigil Mechanism is available on website of the Company.

The Company confirms that no personnel has been denied access to the audit committee pursuant to the whistle blower mechanism.

**28. Code Of Conduct**

The Board of Directors has already adopted the Code of Ethics and Business Conduct for the Directors and Senior Management personnel. This code is a comprehensive code applicable to all Directors, Executive as well as Non – executive and members of the Senior Management. The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been

affirmed by them. A declaration given by the Managing Director and CEO is given below:

The Company has obtained from all the members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Ethics and Business Conduct framed for Directors and Senior Management Personnel in respect of the financial year 2016-17.”

The company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company and can be accessed at <http://avipolymers.com/sample-page/code-of-conduct-policy/>

### **29. Policies adopted:**

The Company has adopted policies in line with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, including policy on:

- Policy on preservation of documents
- Policy for determination of material event or information

The company has also adopted policy in line with SEBI (Insider Trading) Regulations 2015, the Code of Conduct to regulate, monitor and reporting of trading by insider.

These policies are available on the website of the company at <http://www.avipolymers.com/>

### **30. Acknowledgements**

The Directors gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

**FOR AND ON BEHALF OF THE  
BOARD OF DIRECTORS OF  
AVI POLYMERS LIMITED  
CIN: L27204JH1993PLC005233**

**Place: Ahmedabad  
Date: 29/05/2017**

**Mansukh Patel  
Chairman and Managing Director  
DIN: 00162160**

## **Annexure D to Boards Report**

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT :**

#### **1. Industry Structure and developments.**

##### **Textile & Textile Chemical Industry:**

India is the world's second largest producer of textiles and garments. Abundant availability of raw materials such as cotton, wool, silk and jute and skilled workforce have made India a sourcing hub. The size of Indian textile and apparel market stood at US\$ 89 billion in 2011 and is expected to touch US\$ 221 billion by 2020. The industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. The organized apparel segment is expected to grow at a CAGR of more than 13 per cent over a 10-year period creating enormous opportunities. Apparel constitutes a large share in the overall sector, accounting for 69 per cent in 2012 while textile contributed 31 per cent to the total market share. The total exports of textile and apparel sector from India grew to US\$ 33.3 billion in FY12 from US\$ 17.6 billion in FY06, implying a compounded annual growth rate (CAGR) of 11.2 per cent. The exports are expected to increase further to US\$ 82 billion by 2021.h rate (CAGR) of 11.2 per cent. The exports are expected to increase further to US\$ 82 billion by 2021.

With Asia's growing contribution to the global chemical industry, India emerges as one of the focus destinations for chemical companies worldwide. With the current size of approximately \$108 billion, the Indian chemical industry accounts for ~3% of the global chemical industry. Two distinct scenarios for the future emerge, based on how effectively the industry leverages its strengths and manages challenges. In the base case scenario, with current initiatives of industry & government, the Indian chemical industry could grow at 11% p.a. to reach size of \$224 billion by 2018. However, the industry could aspire to grow much more and its growth potential is limited only by its aspirations. In such an optimistic scenario, high end-use demand based on increasing per capital consumption, improved export competitiveness and resultant growth impact for each sub-sector of the chemical industry could lead to an overall growth rate of over 15% p.a. and a size of \$290 billion by 2018 (~6% of global industry). This has a potential for further upside in the future considering India's increasing competitiveness in manufacturing.

## 2. Opportunities and Threats

### Opportunities

- Abundant raw material
- Low cost skilled labour
- Presence across the value chain
- Growing domestic market
- Strong backward integration
- Third largest cotton producer as well a the largest area under cultivation
- Increasing presence across entire value chain
- Cheap and skilled manpower
- Sharp reduction in borrowing costs
- Recent government efforts to promote the industry.

### Threats

- Fragmented industry
- Effect of historical government policies
- Lower productivity and cost competitiveness
- Tech obsolescence. Quality is not consistent
- Low level of training.
- The export-import policy of India changes too frequently due to which it becomes very difficult for importers to import goods.
- Delay in delivering the goods at the right time.
- Lack of economies of scale and advance processing capabilities.

## 3. Segment –wise or product-wise performance :

The Company operates in a single segment of activity viz. trading and hence the segment reporting is not applicable to the Company.

#### 4. Outlook

The outlook for the coming year 2016-17 looks promising for the Chemicals business at this point in time. Demand is showing signs of improvement and with a price advantage due to our best negotiation abilities we are likely to perform well. However, global recession and market condition may have an impact on our business to suffer which in turn can have bearing on profitability.

#### 5. Risks and Concerns

Your Company had put a risk management framework in place post a comprehensive review of its risk management process. Your Company takes a fresh look at the risk management framework through our Audit Committee at least once in a year. The review involved understanding the existing risk management initiatives and assessment of risks in the businesses as the relative control measures and arriving at the desired counter measures keeping in mind the risk appetite of the organization. The audit Committee has periodically reviewed the risks in the business and recommended appropriate risk mitigating actions.

The business of the Company is likely to be affected by various internal and external risks enumerated as under:

- Our Company does not have adequate Cash flows. Low Cash flow could adversely impact our business, financial condition and results of operations.
- Our operations are significantly located in the Ahmedabad Region and failure to expand our operations may restrict our growth and adversely affect our business
- Our success depends largely upon the services of our Promoter, Directors and other key managerial personnel and our ability to attract and retain them.
- The prices we are able to obtain for the products that we trade depend largely on prevailing market prices.
- We face intense competition in our businesses, which may limit our growth and prospects.
- Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.
- Global recession and market conditions could cause our business to suffer.



- Natural calamities and changing weather conditions caused as a result of global warming could have a negative impact on the Indian economy and consequently impact our business and profitability.
- Tax rates applicable to Our Company may increase and may have an adverse impact on our business.
- Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.

As a responsible employer, to ensure occupational safety and employment standards, your Company maintains strict safety and quality control programs to monitor and control these operational risks.

#### **6. Internal Control System and their adequacy**

The Company maintains adequate internal control systems, which provides, among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of company's assets.

Internal Controls are adequately supported by internal audit and periodical review of by the management. The audit committee meets periodically to review with the management and statutory auditors, financial statements. The Audit Committee also meets with the internal auditors to review adequacy /scope of internal audit function, significant findings and follow up thereon and finding of abnormal nature.

#### **7. Discussion on financial performance with respect to operational performance.**

During the year company has reported total income of Rs.423.69 lacs as against total revenue of Rs. 324.49 lacs in the previous year, Net Profit of the Company during the Current year stand at Rs.0.62 lacs as against profit of Rs. 0.60 lacs in the previous year.

#### **8. Material developments in human resources/ Industrial Relations front, including number of people employed.**

Relations with the employees of the Company at various levels remained harmonial during the year under the review. The Company is making its best efforts to retain and attract talented employees. During the year under the review, the Company has complied with all legislative provisions of labour laws. The number of employees of the company as of 31<sup>st</sup> March, 2017 was 6.

**9. Other Disclosures:****a. Basis of related party transaction:**

During the year under the review, there were no related party transactions.

**b. Disclosure of Accounting treatments:**

The Company has followed all relevant Accounting Standards while preparing the financial Statements.

**c. Board Disclosures - Risk Management:**

The Company has developed comprehensive risk management policy and same is reviewed by the Audit Committee, which in turn, informs the Board about the risk assessment and minimization procedures. Major risks identified for the Company by the management are Currency fluctuation, Compliance, Regulatory changes, Manufacturing & Supply, Litigation, Information Technology and new capital investments return. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize. Since the risk control frame work is new to Indian Corporate Culture, it is being strengthened on continuous basis using the outside professional help.

**d. Proceeds from public issues, right issues, preferential issues etc:**

Not applicable, as no capital has been raised by the Company in last 5 Years.

Besides above, there was no instance of non-compliance of any matter related to the capital markets during the last three years.

**By Order of the Board  
For, AVI Polymers Limited**

Date:29/05/2017  
Place: Ahmedabad

**Mansukh Patel  
Chairman and Managing Director  
DIN: 00162160**

### **Annexure E to Boards Report**

**Form No. MR-3 For the financial year ended on 31st March, 2017**

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

To,

The Members,

**AVI Polymers Limited**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AVI Polymers Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the AVI Polymers Limited 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31 March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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, 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;
- 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 (Buy Back of Securities) Regulations, 1998;
- i. The Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014
- j. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Other Laws Applicable to the Company:

- i. Income Tax Act, 1961.
- ii. CST Act, 1956
- iii. Negotiable Instrument Act, 1881
- iv. Gujarat value Added Tax Act, 2003

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I 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 the 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.

All the decisions are carried out unanimously and are captured and recorded as part of the minutes of the meetings of Board of Directors.

I 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.

I further report that during the audit period, there were no specific events/actions having major bearing on company's affairs in pursuance of the above – referred laws, rules, regulations, guidelines, standards, standards, etc.

For, **JALAN ALKESH & ASSOCIATES**  
**COMPANY SECRETARIES**

Date : 29/05/2017

Place : Ahmedabad

**ALKESH JALAN**  
**PROPRIETOR**  
**ACS NO: 15677**  
**C P NO: 4580**

**ANNEXURE-F****Form No. MGT-9****EXTRACT OF ANNUAL RETURN as  
on the financial year ended on 31<sup>st</sup>  
March, 2017**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

CIN	L27204JH1993PLC005233
Registration Date	01/03/1993
Name of the Company	AVI POLYMERS LIMITED
Category / Sub-Category of the Company	Public Company Limited by shares
Address of the Registered office and contact details	Ambica & co. Old H.B. Road Ranchi, Jharkhand-834001 Mob No: +91 7048360390
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Limited 12/1/5, Manoharpukur Road, Kolkata-700026 Tel: 033-40724051/52/53 Fax: 033-40724050
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**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Wholesale trading of Chemicals	466- Wholesale of Industrial Chemicals.	100%







<b>Institutions</b>									
a) Bodies Corp.									
i) Indian	835600	0	835600	14.90	835604	0	835604	14.90	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1107	162500	163607	2.92	1109	208300	209409	3.73	+0.81
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1218793	82200	1300993	23.20	1255187	0	1255187	22.39	-0.81
c)Others ( HUF)	55000	0	55000	0.98	55000	0	55000	0.98	0
Forfeited Shares (Not reissued)	0	1516600	1516600	27.05	0	1516600	1516600	27.05	0
<b>Sub-total (B)(2):-</b>	<b>2110500</b>	<b>1761300</b>	<b>3871800</b>	<b>69.05</b>	<b>2146900</b>	<b>208300</b>	<b>3871800</b>	<b>69.05</b>	<b>0</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	2110500	1761300	3871800	69.05	2146900	208300	3871800	69.05	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>3846000</b>	<b>1761300</b>	<b>5607300</b>	<b>100</b>	<b>3882400</b>	<b>208300</b>	<b>5607300</b>	<b>100</b>	<b>0</b>

\*Previous year's figure has been regrouped whenever necessary for better presentation.

(ii) *Shareholding of Promoters*

SN	Shareholder's Name	Shareholding at the beginning of the year 01/04/2016			Share holding at the end of the year 31/03/2017			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Akhai Ram Patel	189000	3.37	0	189000	3.37	0	0
2	Mansukh Patel	208000	3.71	0	208000	3.71	0	0
3	AAR VEE Industries Ltd.	197000	3.51	0	197000	3.51	0	0
4	Mansukh Patel (HUF)	1141500	20.36	0	1141500	20.36	0	0
	Total	1735500	30.95	0	1735500	30.95	0	0

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

SN		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	There are no changes in promoter's shareholding during the Financial Year 2016-17. The shareholding of promoters is same as mentioned above in the shareholding pattern.				

(iv) *Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):*

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shivarjan Chemicals Pvt. Ltd				
	At the beginning of the year	835600	14.90	835600	14.90
	Bought during the year	0	0	0	0
	Sold during the year	-	-	0	0
	At the end of the year			835600	14.90
2	Shwetang Shah				
	At the beginning of the year	557494	9.94	557494	9.94
	Sale on 6/03/2017	1	0.00	557493	9.94
	Sale on 7/03/2017	1	0.00	557492	9.94
	Sale on 8/03/2017	1	0.00	557491	9.94

	Sold on 16/03/2017	1	0.00	557490	9.94
	Sold on 17/03/2017	1	0.00	557489	9.94
	At the end of the year	-	0.00	557489	9.94
3	Kamleshkumar Lalwani				
	At the beginning of the year	363099	6.48	363099	6.48
	Bought during the year	0	0	0	0
	Sale during the year	0	-	0	0
	At the end of the year	-		363099	6.48
4	Yogesh P. Puri				
	At the beginning of the year	171200	3.05	171200	3.05
	Bought during the year	0	0	0	0
	Sold on 26/05/2016	1	0	171199	3.05
	At the end of the year		-	171199	3.05
5	Amita R. Mehta				
	At the beginning of the year	55600	0.99	55600	0.99
	Bought during the year	0	0	0	0
	Sold during the year	0	0	0	0
	At the end of the year	-	-	55600	0.99
6	Rajnikant Mehta HUF				
	At the beginning of the year	55000	0.98	55000	0.98
	Bought during the year	0	0	0	0
	Sold during the year	0	0	0	0
	At the end of the year	-	-	55000	0.98

7	Rajnikant Mehta				
	At the beginning of the year	53900	0.96	-	0.96
	Bought during the year	0	0	0	0
	Sold during the year	0	0	0	0
	At the end of the year	-	-	53900	0.96
8	Shardaben R. Mehta				
	At the beginning of the year	53900	0.96	53900	0.96
	Bought during the year	0	0	0	0
	Sold during the year	0	0	0	0
	At the end of the year	-	-	53900	0.96
9	Jogesh Talreja				
	At the beginning of the year	15700	0.28	15700	0.28
	Bought during the year	0	0	0	0
	Sold during the year	0	0	0	0
	At the end of the year	-	-	15700	0.28
10	Bhakti C. Talreja				
	At the beginning of the year	15300	0.27	15300	0.27
	Bought during the year	0	0	0	0
	Sold during the year	0	0	0	0
	At the end of the year	-	-	15300	0.27

(v) *Shareholding of Directors and Key Managerial Personnel:*

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mansukh Patel- Managing Director				
	At the beginning of the year	208000	3.71	208000	3.71
	At the end of the year	208000	3.71	208000	3.71
2	Jayesh Dave-Director				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
3	Dinesh Chauhan-Director				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
4	Maulik Pradipkumar Shah-Director				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0

5	Monika Shah- Company Secretary and Director				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
6	Mitesh Meghani CFO				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0
<b>Change in Indebtedness during the financial year</b>	0	0	0	0
* Addition	0	0	0	0
* Reduction	0	0	0	0
<b>Net Change</b>	0	0	0	0
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0

iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director/ Whole time Director:**

SN.	Particulars of Remuneration	Name of MD	Name of Executive Director	Total Amount
		Mansukh Patel	Monika Shah	
1	Gross salary	0	0	0
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0
5	Others, please specify	0	0	0
	Total (A)	0	0	0
	Ceiling as per the Act			

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Dinesh Chauhan	Maulik Pradipkumar Shah	Jayesh Dave	
1	Independent Directors				
	Fee for attending board committee meetings	0	0	0	0



	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	0	0	0	0
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	-----	-----	-----	0
	Commission	-----	-----	-----	0
	Others, please specify	-----	-----	-----	0
	Total (2)	-----	-----	-----	0
	Total (B)=(1+2)	-----	-----	-----	0
	Total Managerial Remuneration	-----	-----	-----	0
	Overall Ceiling as per the Act				

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS Monika Shah	CFO Mitesh Meghani	Total
1	Gross salary	N.A	130000	285000	415000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A	0	0	0
2	Stock Option	N.A	0	0	0
3	Sweat Equity	N.A	0	0	0
4	Commission	N.A	0	0	0

	- as % of profit	N.A	0	0	0
	others, specify...	N.A	0	0	0
5	Others, please specify	N.A	0	0	0
	Total	N.A	130000	285000	415000

**XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

**ANNEXURE: G**

**Disclosure in the Board’s Report under Rule 5(1) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014**

(i)	The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2016-17	Nil							
(ii)	The Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the financial year 2016-17 compared to 2015-16 means part of the year	<table border="1" data-bbox="586 604 1386 846"> <thead> <tr> <th data-bbox="586 604 1159 772">Name of CS/CFO</th> <th data-bbox="1159 604 1386 772">% Increase in Remuneration based on annualized salary.</th> </tr> </thead> <tbody> <tr> <td data-bbox="586 772 1159 810">Ms. Monika Shah- Company secretary</td> <td data-bbox="1159 772 1386 810">0</td> </tr> <tr> <td data-bbox="586 810 1159 846">Mr. Mitesh Meghani- CFO</td> <td data-bbox="1159 810 1386 846">4.76%.</td> </tr> </tbody> </table>		Name of CS/CFO	% Increase in Remuneration based on annualized salary.	Ms. Monika Shah- Company secretary	0	Mr. Mitesh Meghani- CFO	4.76%.
Name of CS/CFO	% Increase in Remuneration based on annualized salary.								
Ms. Monika Shah- Company secretary	0								
Mr. Mitesh Meghani- CFO	4.76%.								
(iii)	Percentage increase in the median remuneration of employees in the financial year 2016-17 compared to 2015-16	Increase in the median remuneration of employees in the Financial year 2016-17 as compared to 2015-16 is 11.11 %							
(iv)	Number of permanent employees on the rolls of the company	<b>As on 31.03.2017</b>	<b>As on 31.03.2016</b>						
		6	6						
(v)	Average percentile increase in salaries of Employees other than managerial Personnel	Nil							

(xii) The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.

**Disclosure in the Board's Report under Rule 5(2) and Rule 5(3) of Companies  
(Appointment & Remuneration of Managerial Personnel) Rules, 2014**

Sr No.	Name of employee	Designation	Remuneration drawn during the year	Nature of employment	Qualification	Experience	Commencement of employment	Age	% of equity shares	whether related or not?
1	Monika Shah	Company Secretary & Compliance Officer	130000	Permanent	B.B.A, CS	2	05.12.14	26	0	Not Related
2	Nipul Patel	Marketing Executive	199249	Permanent	B.COM	3	03.11. 14	29	0	Not Related
3	Rupande Solanki	co-coordinator	251613	Permanent	B.A	21	01.04.11	47	0	Not Related
4	Jigna Anil Maheshwari	Asst. Manager	277000	Permanent	H.S.C	7	01.04. 12	34	0	Not Related
5	Mitesh Meghani	CFO	285000	Permanent	M.B.A (Finance)	3	19.07. 15	27	0	Not Related

Note:

1. The details of remuneration drawn is on accrual basis.
2. Company has only five employees drawing remuneration and hence details are given to that extent.

## Annexure-H

### Corporate Social Responsibility

#### Applicability

Section 135 of the Companies Act, 2013 has imposed CSR mandate on companies meeting any one of the following criterion:

- Net worth exceeding Rs.500 crores
- Turnover exceeding Rs.1000 crores
- Net profit exceeding Rs.5 crores

Since the company does not meet with any of the criteria specified above in FY 2016-17, the CSR mandate u/s 135 is presently not applicable to the company. Consequently it is not obligated to spend 2% of average net profit during the three immediately preceding financial years in pursuance of its CSR policy.

#### Corporate Social Responsibility Committee:

While the Company is not covered by Section 135 of the Companies Act, 2013 for the financial year 2016-17, it has voluntarily constituted Corporate Social Responsibility Committee comprising of the following members of the Board of Directors of the Company as members of CSR Committee as on 31<sup>st</sup> March, 2017:

<b>Members</b>	<b>Category</b>
Mr. Dinesh Chauhan, Chairman	Independent Director
Mr. Mansukh Patel	Managing director
Mr. MaulikPradipkumar Shah	Independent Director

#### Corporate social Responsibility Policy:

##### **1. Short Title and Applicability**

This policy, describes the responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large, is titled as AVI Polymers Limited – Corporate Social Responsibility (CSR) Policy’.

This policy shall apply to all CSR initiatives and activities taken up at the various locations, as decided by the CSR Committee and / or the Board of AVI Polymers Limited for the benefit of various segments of the society. We wish every life to be empowered and every deed to have a meaningful impact on society.

The Policy shall be further governed by the provisions of the Companies Act, 2013, the rules framed thereunder by the Ministry of Corporate Affairs i.e., the Companies (Corporate Social Responsibility Policy) Rules, 2014 and other statutory provisions governing the matter.

## 2. SCOPE

### 2.1 Areas / Localities to be covered

The Company shall give preference to the local area and the areas around it where it operates, for spending the amount earmarked for CSR activities. On need basis, the CSR activities could be extended to any area of the Country.

### 2.2 Activities

The Company shall undertake CSR projects or programs which fall within the purview of the activities specified in Schedule VII of the Companies Act, 2013. The list of the same is as under:

- i. eradicating hunger, poverty and malnutrition, promoting healthcare including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- ii. promoting education including special education, and employment enhancing vocational skills, especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii. promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres, and such other facilities for senior citizens, and measures for reducing inequalities faced by socially and economically backward groups;
- iv. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga.
- v. protection of national heritage, art and culture, including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts;
- vi. measures for the benefit of armed force veterans, war widows and their dependents;
- vii. training to promote rural sports, nationally recognized sports, paralympic sports and Olympic Sports;
- viii. contribution to Prime Ministers National Relief Fund or any other Fund set up by the Central Government, for socio economic development and relief and welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women

- ix. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
- x. Rural Development Projects.

The CSR Committee and the Board of Directors shall be authorized to consider any other CSR activities which will be permissible under the provisions of the Companies Act, 2013 or Rules framed thereunder from time to time including any modifications thereto. As far as possible, efforts will be made to co-ordinate with similar CSR activities that are taken up by the other companies of the Central Government or State Government in those areas.

The CSR projects or programs or activities that benefit only the employees of the Company and their families shall not be considered as CSR activities in accordance with the provisions of the Companies Act, 2013 and the rules framed thereunder.

### **3. RESOURCES, IDENTIFICATION AND APPROVAL PROCESS**

#### **3.1 Resources / Fund allocation**

The time when CSR would be applicable to the company or as decided from time to time by CSR Committee or Board, the company for achieving its CSR objectives through implementation of meaningful and sustainable CSR programs, will allocate / earmark, in every financial year, at least 2% (two per cent) of the average net profits of the Company made during the three immediate preceding financial years, as its CSR Budget for the year. The average net profit shall be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013.

Any unspent / unutilised CSR allocation of a particular year will be carried forward to the following year, i.e., the CSR budget will be non-lapsable in nature.

#### **3.2 Identification Process**

Identification of programs at Corporate and Unit Level will be done by means of the following:

- i) Need identification studies by external agencies / institutions.
- ii) Internal need assessment by cross-functional team.
- iii) Receipt of proposals/requests from District Administration/local Govt. etc.
- iv) Discussions and request with local representatives/Civic bodies/Citizen's forums/voluntary organizations.
- v) Discretion of the CSR Committee and / or the Board of Directors.

#### **3.3 Approval Process**

CSR programs as may be identified by the corporate office / manufacturing units will be required to be put up to the CSR Committee with recommendations from the proposer at the corporate / unit level.

The programs approved by the CSR Committee would be put before the Board of Directors of the Company for their approval.

## 4. MODALITIES OF EXECUTION AND IMPLEMENTATION

### 4.1 Modalities of Execution

The investment in CSR activities should be project or program based and for every project or program, before execution of the project or program, the modalities of execution and time framed periodic milestones will be finalized.

The CSR activities may be undertaken and / or implemented by:

- i) the Company itself under the guidance and supervision of the CSR Committee or Board of Directors or any responsible person authorized in this behalf;
- ii) Registered trusts or society or company established by the Company or its holding or subsidiary or associate company.
- iii) Registered trusts or society or companies incorporated under Section 8 of the Companies Act, 2013 or Section 25 of the Companies Act, 1956.
- iv) Registered trusts or society or company which is not established by the Company or its holding or subsidiary or associate company having an established track record of three years.
- v) Collaboration with other entities allowed to engage in CSR activities.

### 4.2 Implementation

The time period / duration over which a particular project or program or activity will be spread, will depend on its nature, extent of coverage and the intended impact of the same.

The projects or programs or activities which involve considerable financial commitment and are undertaken on a timeframe of 2-5 years, will be considered as 'flagship programs' and will be accorded enhanced significance.

The Company will follow a project / program / activity based accountability approach to stress on the long term sustainability of CSR activities, where its action plan will be distinguished as 'Short-term', Middle-Term & Long Term; qualified as

- i) Short Term – 6 months to 1 year
- ii) Medium Term – 1 year to 2 years
- iii) Long Term – 2 year and above – 'Flagship programs'.

While identifying long term programs, all efforts must be made to the extent possible to define the following:

- i) Program objectives
- ii) Baseline survey – It would give the basis on which the outcome of the program would be measured.



- iii) Implementation schedules- Timelines for milestones of the program will need to be prescribed
- iv) Responsibilities and authorities
- v) Major results expected and measurable outcome

## **5 MONITORING**

To ensure effective implementation of the CSR activities undertaken, a monitoring mechanism will be put in place by the Corporate HR / Unit HR head. The progress of CSR activities under implementation will be reported to Corporate Office on a monthly basis.

The HR department at the Corporate Office will conduct impact studies on a periodic basis, through independent professional third parties / professional institutions, especially on the strategic and high value programs.

The monitoring team will also try to obtain feedback from beneficiaries about the activities.

Appropriate documentation of the CSR Policy, CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis.

CSR initiatives of the Company will also be reported in the Annual Report of the Company and the website of the Company in accordance with the statutory provisions.

## **6 GENERAL**

The Surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

In case of any doubt or difficulty with regard to any provision of this policy or implementation of any CSR activity and also in respect of matters not covered herein, a reference may be made to the CSR Committee. In all such matters, the interpretation & decision of the CSR Committee shall be final.

Any or all provisions of the CSR Policy would be subject to revision / amendment in accordance with the statutory provisions on the subject as may be stipulated by the Government, from time to time.

## **Annexure-I**

### **Nomination and Remuneration Policy**

#### **1. PREAMBLE**

Pursuant to the Section 178 of the Companies Act, 2013 (hereinafter refer as “the Act”) read with the rule 6 of the Companies (Meeting of the Board and its powers) Rules, 2014 and Regulation 19 of the SEBI (listing Obligations and Disclosures Requirements) Regulations, 2015 signed by the Company with the Stock Exchanges, The Nomination and Remuneration committee of the Board of the Company has formulated a remuneration policy to decide the criteria for the appointment and for the remuneration to the Directors, key managerial personnel and other employees.

#### **2. OBJECTIVE**

- i.** To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management
- ii.** To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board
- iii.** To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- iv.** To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations
- v.** To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- vi.** To devise a policy on Board diversity.
- vii.** To develop a succession plan for the Board and to regularly review the plan

#### **3. Constitution of Nomination and Remuneration Committee:**

The Board has constituted the “Nomination and Remuneration Committee” of the Board which is in line with the requirement under the Companies Act, 2013.

The Board has authority to reconstitute this Committee from time to time.

The Committee shall, while formulating the policy ensure that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Whole time Directors, Key Managerial personnel and Senior executives of the quality required to run the Company efficiently;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- Remuneration to Whole time Directors, Key Managerial Personnel and senior management involves a balance between fixed and variables pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The meeting of the Committee shall be held at such regular intervals as may be required.

Necessary disclosures of this policy shall be made in the Annual Report of the Company in terms of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **4. CRITERIA FOR BOARD MEMBERSHIP AND BOARD DIVERSITY**

- a) The Director must have relevant experience in Finance /Law /Management/ Sales/ Marketing/ Administration/ Corporate Governance/ Human Resources or the other disciplines related to Company's business.
- b) The Director should possess the highest personal and professional ethics, integrity and values
- c) The Director shall not have any material interest with the Company or any of its officers, other than as a director or shareholder of the Company. Wherever required the Director should disclose the nature of his interest, if there are reasons to believe there is or a likely hood of potential conflict of interest.

#### **5. REMUNERATION CRITERIA:**

The Policy is largely based on industry benchmarks, the Company's performance vis-à-vis the industry, peer group comparison, factors like inflation rate in the country and performance of the employees.

##### **a) For the Whole Time Directors/ Executive Directors:**

- Nomination and Remuneration Committee shall recommend to the Board, the remuneration, within the maximum limits as set under the Companies Act, 2013, and Rules made there under and subject to the approval of the shareholders as and where applicable.
- Remuneration to whole time director/Executive Director would also depend on the performance and profitability of the company during the year as decided by Nomination and Remuneration committee from time to time.

However, no remuneration or any other payments are made to any directors of the company and hence company does not required to have criteria for the same.

##### **b) For the Key Managerial Personnel and Other Employees:**

- The remuneration of other KMP and other employees largely consists of basic salary, perquisites, and allowances (both fixed and variable). Perquisites are paid according to the Company policy.

- The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience/merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario.

**6. POLICY REVIEW & FUTURE AMENDMENT**

This policy shall remain in force unless modified by the Remuneration committee.

## **Independent Auditor's Report**

To the Members of

### **AVI POLYMERS LIMITED**

#### **Report on the Financial Statements**

We have audited the financial statements of AVI Polymers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statement**

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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

## Report on other Legal and Regulatory Requirement

1. As required by the Companies ( Auditor's Report) order, 2016 (' the Order') issued by 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) on the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2).

f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and

g) with respect to the other matters to be included in the auditor's report in accordance with rule 11 of the companies (Audit and Auditors) Rule 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The company has disclosed the impact of pending litigations on 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 are no such amounts which are required to be transferred to the investor education and protection fund by the company and hence the question of delay in transferring the above said amounts does not arise.

**Date: 29<sup>th</sup> May, 2017**

**Place: - Ahmedabad**

**For, S.S. Dasani & Co.**

**Chartered Accountants**

**(Jigar Shah)**

**Partner**

**M.No.138747**

**FRN: 116521W**

## **Annexure A to the Auditors' Report**

**The Annexure to in the independent auditor's Report to the members of the Company on the financial statements for the year ended 31 March, 2017, we report that:**

- (i) In respect of Fixed Assets:
- (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets covering significant values were physically verified by the management as such intervals, which in our opinion, provides for physical verification of all the fixed assets at reasonable interval having regard to the size of the company and nature of its business. According to the information and explanations given to us by the management, no material discrepancies have been noticed on such verification.
  - (c) Since the company does not hold any immovable property, hence the question of whether the title deeds of Immovable properties are held in the name of the company does not arise.
- (ii) In respect of its Inventory:
- (a) As per the information and explanation given to us, the inventories of finished goods were, during the year, physically verified by the management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, no discrepancies were noticed on physical verification and hence the question of it been properly dealt with in the books of accounts does not arise.
- (iii) In our opinion and according to the information and explanations given to us, the company has not granted any loans, secured or unsecured, to companies, firms or other (a) Parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (b), iii(c) of the order are not applicable to the Company.

- (iv) In our opinion and according to the information and explanations given to us, the company has not given any loan, made any investment, given any guarantee, or provided any securities covered under section 185 and 186 of the companies Act, 2013 during the year except loan to employees as a part of the condition of service.
- (v) To the best of our knowledge, the company has not accepted any deposits covered under section 73 or any other provisions of the companies Act, 2013.
- (vi) To the best of our knowledge, central government has not prescribed the maintenance of cost records under section 148(1) of the companies Act, 2013.
- (vii) According to Information and explanation given to us, in respect of statutory dues:
- (a) The company has generally been regular in depositing undisputed dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and any other statutory dues applicable to it with the appropriate authorities and there were no undisputed dues in arrears as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they become applicable.
- (b) The disputed statutory dues aggregating Rs. 0.93 lakhs that have not been deposited on account of disputed matter pending before appropriate authority are as under:

Name of status	Nature of Dues	Amount Rs. In Lacs	Financial Year to which amount relates	Forum where dispute is pending
Income tax Act,1961	Tax on Assessment u/s 143(3)	Nil	2006-2007	ITAT Ahmedabad
Income tax Act,1961	Tax on Assessment u/s 143(3)	0.19	2011-2012	CIT (Appeals)
Income tax Act,1961	Tax on Assessment u/s 143(3)	0.38	2012-2013	ITO
Income tax Act,1961	Tax on Assessment u/s 143(3)	0.36	2013-2014	ITO
	<b>TOTAL</b>	<b>0.93</b>		

- (viii) Since the company has not taken any loans or borrowings from financial institution, bank, Government or debenture holders and hence the question whether the company has defaulted in repayment of loans or borrowings dues to a financial institution, bank, Government or debenture holders does not arise.
- (ix) To the best of our knowledge according to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instrument) and term loans during the year. Accordingly, para 3(ix) of the Order is not applicable.



- (x) Based on the audit procedures performed and the information and explanations given to us, we report that no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor we have been informed of such case by the management.
- (xi) Since the Company has not paid or provided for any managerial remuneration and hence the question whether the managerial remuneration has been made in accordance with the requisite approvals mandated by the provision of section 197 read with schedule V of companies Act, 2013 does not arise.
- (xii) To the best of our knowledge according to the information and explanations given to us, Company is not a Nidhi Company.
- (xiii) Since the Company has not entered into any related party transactions and hence the question whether all transactions with related parties are in compliance with section 177 and 188 of the companies Act, 2013 does not arise.
- (xiv) To the best of our knowledge according to the information and explanations given to us, company has not made any preferential allotment of private placement of shares or fully or partly convertible debentures during the year.
- (xv) To the best of our knowledge according to the information and explanations given to us, company has not entered in to any non-cash transactions with directors or persons connected with him.
- (xvi) To the best of our knowledge according to the information and explanations given to us, Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

***Date: 29<sup>th</sup> May, 2017***

***Place: - Ahmedabad***

***For, S.S. Dasani & Co.***

***Chartered Accountants***

***(Jigar Shah)***

***Partner***

***M.No.138747***

***FRN: 116521W***

## **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 AVI Polymers Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 judgement, 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

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

***Date: 29<sup>th</sup> May, 2017***

***Place: - Ahmedabad***

***For, S.S. Dasani & Co.***

***Chartered Accountants***

***(Jigar Shah)***

***Partner***

***M.No.138747***

***FRN: 116521W***

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Notes	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>I. EQUITY AND LIABILITIES</b>			
<b><u>(1) Shareholder's Funds</u></b>			
(a) Share Capital	1	44,751,750	44,751,750
(b) Reserves and Surplus	2	(7,216,234)	(11,871,712)
<b><u>(2) Share Application money pending allotment</u></b>			
<b><u>(3) Current Liabilities</u></b>			
(a) Trade Payables	3	838,617	80,597
(b) Short-Term Provisions			
(c) Other Current Liabilities	4	278	782
<b>Total</b>		<b>38,374,411</b>	<b>32,961,417</b>
<b>II. ASSETS</b>			
<b><u>(1) Non-Current Assets</u></b>			
<b><u>(a) Fixed Assets</u></b>			
(i) Tangible Assets	5	3,668	3,668
(ii) Intangible Assets		-	-
(ii) Capital Work in Progress		-	-
(ii) Intangible Assets under Development		-	-
(b) Non-current investments	6	2,680,000	6,200,000
(c) Deferred tax assets (net)	7	4,606,059	-
(d) Long term loans and advances	8	14,390,529	14,534,445
<b><u>(2) Current Assets</u></b>			
(a) Inventories	9	1,360	1,360
(b) Trade receivables	10	15,729,820	11,483,230
(c) Cash and cash equivalents	11	331,298	159,595
(d) Short term loans and advances	12	-	2,015
(d) Other current assets	13	631,677	577,104
<b>Total</b>		<b>38,374,411</b>	<b>32,961,417</b>
<b>NOTES TO ACCOUNTS</b>	21		
<i>notes attached there to form an integral part of Balance Sheet</i>			
<i>This is the Balance Sheet referred to in our Report of even date.</i>			
<b>FOR S.S. DASANI &amp; CO.</b>		<b>FOR AVI POLYMERS LIMITED</b>	
<b>(JIGAR SHAH)</b>		<b>Mansukh Patel (Chairman &amp; MD)</b>	
<b>M. No. : 138747</b>		<b>DIN NO.:00162160</b>	
<b>F.R.N.: 116521W</b>		<b>Dinesh Chauhan (Director)</b>	
		<b>DIN NO.: 00977893</b>	
<b>Place: Ahmedabad</b>		<b>Monika Shah</b>	
		<b>(Company Secretary)</b>	
		<b>M. No. 37823</b>	
		<b>Mitesh Meghani (CFO)</b>	

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED ON 31ST MARCH, 2017

Sr. No	Particulars	Notes	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	Revenue from operations	14	13,454,857	42,368,559
II	Other Income			
III	<b>III. Total Revenue (I +II)</b>		<b>13,454,857</b>	<b>42,368,559</b>
IV	<b><u>Expenses:</u></b>			
	Purchase of Stock in Trade		9,626,907	39,851,820
	Freight on purchases		-	-
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	15	0	(1,360)
	Employee Benefit Expense	16	1,175,914	1,106,752
	Financial Costs	17	3,697	4,972
	Depreciation and Amortization Expense	18	-	-
	Other Expenses	19	2,598,920	1,344,832
	<b>Total Expenses (IV)</b>		<b>13,405,438</b>	<b>42,307,016</b>
V	Profit before exceptional and extraordinary items and tax	(III - IV)	<b>49,419</b>	<b>61,543</b>
VI	Exceptional Items (Prior Period)		-	-
VII	Profit before extraordinary items and tax (V - VI)		<b>49,419</b>	<b>61,543</b>
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		<b>49,419</b>	<b>61,543</b>
X	<b><u>Tax expense:</u></b>			
	Provision for current tax		29,223	11,800
	Less: MAT credit entitlement		29,223	-
	Deferred Tax		(4,606,059)	11,800
				-
XI	Profit(Loss) from the period from continuing operations	(IX-X)	<b>4,655,478</b>	<b>61,543</b>
XII	Earning per equity share of face value of Rs. 10 Basic & Diluted		<b>1.138</b>	<b>0.015</b>

Notes to Accounts

21

Notes attached there to form an integral part of Profit & Loss Statement  
This is the Statement of Profit & Loss referred to in our Report of even date.

FOR S.S. DASANI & CO.  
CHARTERED ACCOUNTANTS

FOR AVI POLYMERS LIMITED

(JIGAR SHAH)  
M. No. : 138747

Mansukh Patel (Chairman & MD)  
DIN NO.:00162160

F.R.N.: 116521W

Dinesh Chauhan (Director)  
DIN NO.: 00977893

Place: Ahmedabad

Monika Shah

Date

(Company Secretary)  
M. No. 37823

: 29th May 2017

Mitesh Meghani (CFO)

**CASH FLOW STATEMENT FOR THE YEAR 2016-17**

Particulars		Current Year	Previous Year
<b>A</b>	<b>Cash Flow From Operating Activity</b>		
	Profit/(loss) before Taxes	49419	61543
	<b>Adjustments for:</b>		
	Depreciation	0	0
	Loss Due to w/off / sale of investments	1540000	360000
	<b>Operation profit/loss before working capital changes</b>	1589419	421543
	<b>Adjustments for changes in working capital</b>		
	(Increase)/Decrease in Stock	0	(1360)
	(Increase)/Decrease in Sundry debtors	(4246590)	3296454
	(Increase)/Decrease in Other current Asset	(54573)	22669
	Increase/(Decrease) in Current Liabilites & Provision	757517	(853582)
	Increase/(Decrease) in Short Term Loans and Advances	2015	3992000
	<b>Cash Generated from / (used in) operations</b>	(1952213)	6877724
	Taxes (paid)/Received	0	0
	<b>Net Cash from/(used in ) Operating activity</b>	(1952213)	6877724
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	(Increase)/Decrease in fixed assets	0	0
	(Increase)/Decrease in Investments	1980000	4440000
	<b>Net cash used in Investing activities</b>	1980000	4440000
<b>C</b>	<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
	Unpaid Call Money Received	0	0
	(Increase)/Decrease in Loans	143916	(12162566)
	<b>Net cash from financial activity</b>	143916	(12162566)
	<b>Net increase/(Decrease) in cash and cash equivalent</b>	171703	(844842)
	<b>Opening balance of cash and cash equivalent</b>	159595	1004437
	<b>Closing balance of cash and cash equivalent</b>	<b>331298</b>	<b>159595</b>

**Notes to Cash Flow Statement**

1. The above cash flow statement has been prepared under the "indirect method" as set out in the accounting standard-3 on cash flow statements.
2. Previous year's figures have been reclassified /regrouped wherever considered necessary.
3. Figures in bracket indicate cash outflow

**FOR S.S, DASANI & CO.**  
**CHARTERED ACCOUNTANTS**

**For AVI POLYMERS LIMITED**

**PARTNER**  
**(JIGAR SHAH))**  
**M. No. : 138747**

**Mansukh Patel (Chairman & MD)**  
**DIN NO.:00162160**

**F.R.N.: 116521W**

**Dinesh Chauhan (Director)  
DIN NO.: 00977893**

**Place: Ahmedabad  
Date: 29/05/2017**

**Monika Shah  
(Company Secretary)  
M. No. 37823**

**Mitesh Meghani (CFO)**



**Note : 1 Share Capital**

Sr. No	Particulars	Current Year		Previous Year	
		No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
1	<b>AUTHORIZED CAPITAL</b> Equity Shares of Rs. 10/- each.	6,500,000	65,000,000	6,500,000	65,000,000
2	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b> Equity Shares of Rs. 10/- each.				
	(i) Share Issued	5,607,300	56,073,000	5,607,300	56,073,000
	(ii) Subscribed and fully paid up	4,090,700	40,907,000	4,090,700	40,907,000
	(iii) Subscribed and not fully paid up	-	-	-	-
	(iv) Share forfeited	1,516,600	3,844,750	1,516,600	3,844,750
	<b>Total</b>	<b>5,607,300</b>	<b>44,751,750</b>	<b>5,607,300</b>	<b>44,751,750</b>

**Notes:**

- 1516600 Shares were forfeited during the Financial year 2014-15.
- Terms/ Rights attached to equity shares  
The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company the holder of equity share will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.
- There were no shares reserved at the year end for issue under options and contracts/ commitments for the sale of shares/ disinvestment.
- No shares were allotted without payment in cash or as bonus shares and no shares were bought back during the period of five years immediately preceding the balance sheet date.

**RECONCILIATION OF NUMBER OF SHARES OUTSTANDING**

Particulars	As at 31st March 2017		As at 31st March 2016	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Opening Number of shares Outstanding	4,090,700	40,907,000	4,090,700	40,907,000
Add: Calls received during the year	-	-	-	-
Add: Shares issued during the year	-	-	-	-
Less: Share forfeited	-	-	-	-
Closing Number of outstanding shares	4,090,700	40,907,000	4,090,700	40,907,000

More Than 5% shareholdings	Current Year		Previous Year	
	No. of Shares	%	No. of Shares	%
Swetang Shah	557,489	13.63	557,500	13.63
Shivarjan Chemicals Pvt. Ltd.	835,600	20.43	835,600	20.43
Mansukh Patel (HUF)	1,141,500	27.90	1,141,500	27.90
Kamleshkumar K Lalwani	363,099	8.88	363,099	8.88
Mansukh Patel	208,000	5.08	208,000	5.08

**Note : 2 Reserve & Surplus**

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
	Surplus (Profit & Loss Account)		
	Balance brought forward from previous year	(11,871,712)	(11,933,255)
	Add: Profit for the period	4,655,478	61,543
	Closing Balance	(7,216,234)	(11,871,712)
	<b>Total</b>	<b>(7,216,234)</b>	<b>(11,871,712)</b>

**Note : 3 Trades Payable**

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	Sundry Creditors for Material	615,300	0
2	Sundry Creditors for Expense	223,317	80,597
	<b>Total</b>	<b>838,617</b>	<b>80,597</b>

**Note :4 Other Current Liabilities**

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	Other Liabilities		
	a. Unpaid Expense	-	-
	b. Statutory Liabilities	278	782
	c. Advance From Customers	-	-
	d. Others	-	-
	<b>Total</b>	<b>278</b>	<b>782</b>

Note : 5 Fixed Asset (Owned Assets)

I. Fixed Assets at Ahmedabad Unit

											₹	₹
Sr. No	Particulars	Gross Block				Depreciaton				Net Block		
		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 31.03.2017	WDV as on 31.03.2016	
I	<b>Tangible Assets</b>											
1	- Plant and Equipment	67,266	-	-	67,266	63,904	-	-	63,904	3,362	3,362	
2	Computer	24,065	-	-	24,065	23,759	-	-	23,759	306	306	
	<b>SUB TOTAL (A)</b>	<b>91,331</b>	<b>-</b>	<b>-</b>	<b>91,331</b>	<b>87,663</b>	<b>-</b>	<b>-</b>	<b>87,663</b>	<b>3,668</b>	<b>3,668</b>	
II	<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-	
	<b>SUB TOTAL (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
III	<b>Capital Work-in-progress</b>	-	-	-	-	-	-	-	-	-	-	
	<b>SUB TOTAL (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
IV	<b>Intangible Assets Under Development</b>	-	-	-	-	-	-	-	-	-	-	
	<b>SUB TOTAL (D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
	<b>Total [A + B + C + D] (Current Year)</b>	<b>91,331</b>	<b>-</b>	<b>-</b>	<b>91,331</b>	<b>87,663</b>	<b>-</b>	<b>-</b>	<b>87,663</b>	<b>3,668</b>	<b>3,668</b>	

**Note : 6 Non Current Investment**

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	<b>Trade Investment in Equity Shares -Unquoted Fully Paid up</b> 16750(P.Y 38750) Equity Shares of Boscogen Overseas Ltd. of Rs 10 [Note: 22000 Equity shares of Boscogen Overseas Ltd were sold @ Rs. 90 per share during Financial year 2016-17]	2,680,000	6,200,000
	<b>Total</b>	<b>2,680,000</b>	<b>6,200,000</b>

**Note : 7 Deferred Tax Assets**

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	<b>Deferred Tax Assets:</b> Related to Fixed Assets Related to Unabsorbed Depreciation Loss	2,883,731 1,722,328	-
	<b>Total</b>	<b>4,606,059</b>	-

**Note : 8 Long Term Loans and Advances**

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	<b>Unsecured (Considered Good) Deposits</b>	100,000	100,000
2	<b>Share Application Money</b>	-	-
3	<b>Other Loans &amp; Advances</b>	14,290,529	14,434,445
	<b>Total</b>	<b>14,390,529</b>	<b>14,534,445</b>

**Note : 9 Inventories**

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	Trading Goods-At cost or Market value whichever is lower	1,360	1,360
	<b>Total</b>	<b>1,360</b>	<b>1,360</b>

**Note : 10 Trade Receivables**

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	<b>Outstanding for more than six months</b>		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	11,183,230	10,043,230
	c) Doubtful	-	-
2	<b>Others</b>		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	4,546,590	1,440,000
	c) Doubtful	-	-
	<b>Total</b>	<b>15,729,820</b>	<b>11,483,230</b>

**Note : 11 Cash & Cash Equivalent**

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	<b>Cash-in-Hand</b>		
	Cash Balance	68,105	14,869
	<b>Sub Total (A)</b>	<b>68,105</b>	<b>14,869</b>
	Balance with Scheduled Bank	260,608	141,911
	Balance with Non Scheduled Co Op Bank	2,585	2,815
	Fixed Deposits (Maturing within 12 Months)	-	-
	<b>Sub Total (B)</b>	<b>263,193</b>	<b>144,726</b>
3	<b>Cheques on Hand</b> (C)	-	-
	<b>Total [ A + B + C ]</b>	<b>331,298</b>	<b>159,595</b>

**Note : 12 Short Term Loans and Advances**

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	<b>Advance to Supplier</b>		
		-	2,015
	<b>Sub Total (A)</b>	<b>-</b>	<b>2,015</b>

**Note : 13 Other Current Assets**

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	<b>Statutory Advances</b>		
	Income Tax receivable	222,590	98,532
	MAT credit entitlement	58,355	29,132
	Advances with VAT Authority	13652	-
2	Listing Application Fees	337080	449440
	<b>Sub Total (A)</b>	<b>631,677</b>	<b>577,104</b>

<b>Note : 14 Revenue from Operations</b>		₹	₹
<b>Sr. No</b>	<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
	Sale of Products	11,897,074	41,427,059
	Sale of Services	-	-
	Other Operating Revenues	1,557,783	941,500
	<b>Total</b>	<b>13,454,857</b>	<b>42,368,559</b>
	Less: Excise Duty	-	-
	<b>Total</b>	<b>13,454,857</b>	<b>42,368,559</b>

<b>Note : 15 Change in Inventories</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
1	Closing Stock	- 1,360	- 1,360
2	Opening Stock	1,360	-
	<b>(Increase)/Decrease in Inventory</b>	<b>0</b>	<b>(1,360)</b>

<b>Note :16 Employment Benefit Expenses</b>		₹	₹
<b>Sr. No</b>	<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
1	Salary & Wages	1,054,362	989,387
2	Staff Bonus Expenses	88,500	42,000
3	Stipend Expenses	33,052	75,365
	<b>Total</b>	<b>1,175,914</b>	<b>1,106,752</b>

<b>Note :17 Financial Cost</b>		₹	₹
<b>Sr. No</b>	<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
1	Interest	10	
2	Bank Charges	3,687	4,972
	<b>Total</b>	<b>3,697</b>	<b>4,972</b>

<b>Note : 18 Depreciation &amp; Amortised Cost</b>		₹	₹
<b>Sr. No</b>	<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
1	Depreciation	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

**Note : 19 Other Expenses**

Sr. No	Particulars	₹	₹
		Current Year	Previous Year
1	Advertisement Exp.	95,639	139,200
2	Auditor's Remuneration	22,250	22,175
3	Machine Repairing Expense	40,440	-
4	Godown Rent	24,000	18,000
5	Internet Expenses	2,509	6,390
6	Legal and Professional Expense	139,368	219,848
7	Miscellaneous Expenses	60,595	61,088
8	Mobile Expenses	17,350	18,000
9	Office Exp.	15,200	13,555
10	Petrol & Diesel	55,025	54,000
11	Postage & telegram Exp.	15,778	12,914
12	Penalty on TDS	-	773
13	ROC Charges	2,431	16,872
14	Commission Expense	20,000	-
15	Stock Exchange Fees	-	11,400
16	Stationery & Printing Exp.	18,816	27,311
17	Interest on TDS & VAT	-	146
18	Loss due forex fluctuation	54,520	-
19	Long Term Capital Loss for sale of shares	1,540,000	360,000
20	Listing Fees Expenses	341,360	363,160
21	Packing Charges	16,500	-
22	Freight Expense	117,139	-
	Subtotal	2,598,920	1,344,832
	<b>Total</b>	<b>2,598,920</b>	<b>1,344,832</b>

**Note : 20 Quantitative Details**

Particulars	2016-17			2015-16		
	Sales	Closing	Opening	Sales	Closing	Opening
	Value	Inventory	Inventory	Value	Inventory	Inventory
	Rs.			Rs.		
Chemicals (Kgs)	8,878,310	-	-	15,074,480	-	-
Chemicals in (MT)	-	-	-	360,000	-	-
Machine (Nos.)	1,935,460	-	-	23,948,160	-	-
Textile (Pcs)	1,083,304	-	-	2,021,619	-	-
Others (KG)	-	80	80	22,800	80	-
<b>Total</b>	<b>11,897,074</b>	<b>80.00</b>	<b>80.00</b>	<b>41,427,059</b>	<b>80.00</b>	<b>0.00</b>

**NOTE-21****1. Significant accounting Policies****(a) Basis of Accounting:**

The financial statements are prepared under historical cost convention and on the basis of going concern to comply in all material respect with the notified accounting standards issued by The Institute of Chartered Accountant of India.

**(b) Use of Estimates**

The preparation of financial statements is in conformity with Generally Accepted Accounting Principle requires management to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liability on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of financial statements. Actual results could differ from this estimate and differences between actual results and estimates are recognized in the period in which the results are known / materialize.

**(c) Fixed Assets:**

Fixed Assets are stated at cost less accumulated depreciation. The cost of fixed asset comprise of its purchase price and any directly attributable cost of bringing the assets in an operational condition for its intended use.

**(d) Depreciation:**

Depreciation has been provided at the rates and in the manner prescribed in Schedule II of the Companies act, 2013 on WDV Method. Depreciation on addition or on sale/ disposal of assets is calculated pro-rata from the date of such addition or sale/ disposal as the case may be.

**(e) Valuation of Inventories:**

Inventory of goods are valued at Cost or Market Price whichever is lower.

**(f) Investment:**

Long term investments are stated at cost. Provision of diminution in the value of Long term investments is made only if such decline is other than temporary in nature in the opinion of the Management.



**(g) Revenue Recognition:**

(i) Revenue is recognized to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(ii) Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the customer and is stated net of trade discounts, excise duty, sales return, value added tax, claims etc.

(iii) Revenue from interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest. Its recognition is done when there is reasonable certainty of its realisation.

**(h) Employee Benefits:**

The amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services. Further, the Company does not have any policy of providing post-employment benefits to any of its employee and hence the provision of such expenses is not required to be made in the financial statements.

**(i) Taxation:**

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets on timing differences, being the difference between the taxable incomes and accounting income that originate in, one period and are capable of reversal in one or more subsequent period.

Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**(j) Provisions, Contingent Assets and Contingent Liabilities:**

Contingent Liabilities as defined in Accounting Standard 29 on "Provisions, Contingent Liabilities and Contingent Assets" are disclosed by way of notes to the account. Provision is made if it is probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability.

**(k) Purchase & Expenses :**

(i) The major item of expenses is accounted for on time pro rata basis and necessary provision for the same are made.

(ii) Purchases are accounted at invoice value. The other components like freight, octroi, transport charges are shown separately. Rebate and discount received on purchase are netted off from purchases.

**(l) Impairment of Assets:**

The management of the Company is of the opinion that there are no Fixed Assets to be impaired for the period, as identified by the sources of information, mentioned in the Accounting Standard-28 "Impairment of Assets" issued by the ICAI.

**(m)** Balances of Debtors and Creditors are subject to confirmation to be obtained. In the opinion of the board, current assets, loans and advances have value on realization in the ordinary course of business at least equal to the amount at which they are stated. The provision for other known liabilities is adequate and not in excess of what is required.

**(n)** Previous year's figures have been regrouped or rearranged wherever required to be made for better presentation of financial statements. Figures are rounded off to the nearest rupee.

**(o) Earnings Per Share:**

The Company reports basic & diluted earnings per share in accordance with Accounting Standard 20, "Earning Per Share" issued by the ICAI. Basic earning per share is computed by dividing the net profit after tax available to equity shareholders by the weighted average number of equity shares outstanding during the year.

**(p) Segment Reporting:**

The Company has only one segment of activity, namely trading.

**2. NOTES FORMING PART OF ACCOUNTS**

**(a)** As per the information and explanation given to us the Company does not have the policy of providing post employment benefits and hence no provision is made for liabilities for retirement benefits.

**(b)** Disclosure of Specified Bank Notes (SBN) during the period from 8th November,2016 to 30th December,2016:

**(c)**

	<b>SBNs (Rs.)</b>	<b>Other denomination notes (Rs.)</b>	<b>Total (Rs.)</b>
Closing cash in hand as on 08.11.2016	1,00,000	8199	1,08,199
(+) Permitted receipts	0	0	0
(+) Withdrawals from Bank	0	160000	1,60,000
(-) Permitted payments	0	109457	1,09,457
(-) Amount deposited in Banks	1,00,000	0	1,00,000
<b>Closing cash in hand as on 30.12.2016</b>	<b>0</b>	<b>58,742</b>	<b>58,742</b>

**Explanation :** For the purposes of this clause, the term ‘Specified Bank Notes’ shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016

**(d) Contingent Liabilities**

Name of status	Nature of Dues	Amount Rs. In Lacs	Financial Year to which amount relates	Forum where dispute is pending
Income tax Act,1961	Tax on Assessment u/s 143(3)	Nil	2006-2007	ITAT Ahmedabad
Income tax Act,1961	Tax on Assessment u/s 143(3)	0.19	2011-2012	CIT (Appeals)
Income tax Act,1961	Tax on Assessment u/s 143(3)	0.38	2012-2013	ITO
Income tax Act,1961	Tax on Assessment u/s 143(3)	0.36	2013-2014	ITO
	<b>TOTAL</b>	<b>0.93</b>		

**(d) Particulars of payment made to Directors:**

Particulars	2016-17 Amount (Rs.)	2015-16 Amount (Rs.)
Remuneration	Nil	Nil

**Remuneration to Auditor:**

Particulars	2016-17 Amount (Rs.)	2015-16 Amount (Rs.)
Statutory Audit Fees	15,000	15,000
Service Tax Reimbursement	2,250	2,175
Total	17,250	17,175

(e)The balances shown in the Balance sheet under the head of Creditors, Debtors and Loans and Advances are each subject to confirmation from respective parties and are subject to adjustment, if any, on receipt of confirmation.

(f)The Company has not received any intimation from Suppliers regarding their status under Micro and Medium Enterprises Development Act, 2006 and hence disclosure , if any, relating to amounts unpaid as at year end together with interest paid/payable as required under the said Act have not been given.

(g)The Figures for the previous year have been rearranged and regrouped wherever considered necessary so as to confirm to the current year classification.

(h) The amount remitted during the year in foreign currencies on account of dividend is Rs. NIL

-C.I.F. Value of Imports is Rs. NIL.

-Earnings in Foreign Exchange is (FOB) is Rs.19, 35,460/-

(i) The amounts have been rounded off nearest Rupee.

AS PER OUR REPORT OF EVEN DATE ATTACHED

**FOR, S.S. DASANI AND CO.**  
**CHARTERED ACCOUNTANTS**

**FOR, AVI POLYMERS LIMITED**

**(JIGAR SHAH)**  
**PARTNER**  
**M. No.: 138747**  
**FIRM Reg. No.116521W**

**Mansukh Patel (Chairman & M.D.)**  
**DIN NO.:00162160**

**Dinesh Chauhan (Director)**  
**DIN NO.: 00977893**

**Place: Ahmedabad**  
**Date: 29/05/2017**

**Monika Shah**  
**(Company Secretary)**  
**M. No. 37823**

**Mitesh Meghani (CFO)**

**AVI POLYMERS LIMITED**

Registered Office: At Ambica Compound, Old H B Road, Ranchi – 834 001  
Mobile: +91 7048360390, e-mail: [avipolymer@gmail.com](mailto:avipolymer@gmail.com) website: [www.avipolymers.com](http://www.avipolymers.com)  
CIN: L27204JH1993PLC005233

**ATTENDANCE SLIP****24<sup>th</sup> Annual General Meeting - September 29th, 2017**

I hereby record my presence at the Twenty-third Annual General Meeting of the members of the Company held at Ambica Compound, Old H B Road, Ranchi – 834 001 on Friday, 29<sup>th</sup> day of September, 2017 at 11.00 a.m.

Full Name of the Member (in BLOCK LETTERS) \_\_\_\_\_

Regd. Folio No. \_\_\_\_\_

No. of Shares held \_\_\_\_\_

DP ID No. \_\_\_\_\_

Client ID No. \_\_\_\_\_

Full name of the Proxy (in BLOCK LETTERS) \_\_\_\_\_

Member's / Proxy's Signature \_\_\_\_\_

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 read with Rule 19(3) of the companies (Management and Administration) Rules, 2014]

**AVI POLYMERS LIMITED**

Registered Office: At Ambica Compound, Old H B Road, Ranchi – 834 001  
 Mobile: +91 7048360390, e-mail: [avipolymer@gmail.com](mailto:avipolymer@gmail.com) website: [www.avipolymers.com](http://www.avipolymers.com)  
 CIN: L27204JH1993PLC005233

Name of the Member(s): Registered address: E-mail Id: Folio No./ Client ID: DP Id:
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I/We being the member(s) of \_\_\_\_\_ shares of the above named Company hereby appoint:

(1) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ or failing him;

(2) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ or failing him;

(3) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_ or failing him;

as my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company to be held on Friday 29<sup>th</sup> September, 2017 at 11.00 a.m. at At Ambica Compound, Old H B Road, Ranchi – 834 001 and at any adjournment thereof in respect of such resolution as are indicate below:

Resolution No	Particulars of Resolution	Voting	
		For	Against
	<b>ORDINARY BUSINESS</b>		
1	To receive, Consider and adopt the audited Balance Sheet as at 31 <sup>st</sup> March,2017 and Statement of Profit & Loss Account and Cash Flow Statement for the year ended on 31 <sup>st</sup> March, 2017 and the Reports of the Board of Directors and Auditors thereon.		
2	To appoint a Director in place of Mr. Mansukh Patel(DIN: 00162160) who retires by rotation and being eligible seeks re-appointment.		
3	To ratify appointment of Auditors		
	<b>SPECIAL BUSINESS</b>		
4	To extend terms of Mr. Mansukh Patel (DIN: 00162160) as a Managing Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

\_\_\_\_\_  
Signature of the member

\_\_\_\_\_  
Signature of proxy holder

Affix Revenue Stamp
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Notes:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the Annual General Meeting.
2. It is optional to indicate your preference. If you leave the 'for', or 'against' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.