

Annual Report

AVI POLYMERS LIMITED

For the year 2011-12

AVI POLYMERS LIMITED

NOTICE

Notice is hereby given that the Annual General Meeting of the members of AVI Polymers Limited will be held at 11.00 a.m. on Friday, the 10th August, 2012 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 Consider and adopt the Balance Sheet as at 31st March,2012 and Profit & Loss Account and Cash Flow Statement for the year ended on 31st March,2012 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint Shri Govind Patel, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Shri Dinesh Chauhan, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s. Purushottam Khandelwal & Co., Chartered Accountants, Ahmedabad to hold office from the conclusion of the Meeting until the conclusion of the Next Annual General Meeting and fix their remuneration.

SPECIAL BUSINESS :

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

“RESOLVED THAT, pursuant to provision of Section 260 and other applicable provision of the Companies Act, 1956 and of Articles of Association of the Company Mr. Maulik Shah who was appointed as an additional director on the Board of Directors of the Company and in respect of whom a notice in writing has been received from a member of the Company signifying his intention to propose him as a Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

BY ORDER OF THE BOARD OF DIRECTORS OF
AVI POLYMERS LIMITED

Place: Ahmedabad

Date: 30/05/2012

SHRI MANSUKH PATEL
MANAGING DIRECTOR

Notes:

- 1 A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and on a poll, to vote instead of himself. A proxy need not be member of the company. Proxies in order to be effective must be deposited at least 48 hours before the commencement of the meeting.
- 2 Members/ proxies should bring attendance slip, duly filled in, for attending the meeting.
- 3 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.
- 4 The register of Members and share transfer books of the company will remain closed from 8th August, 2012 to 10th August, 2012 (both days inclusive).
- 5 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.
- 6 Pursuant to clause 49 of the Listing Agreement, brief resume of all directors proposed to be reappointed, nature of their expertise in specific functional areas, name of the companies in which they hold directorship and their shareholding are provided in Report on Corporate Governance forming part of the annual report.

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of Special Business :

Mr. Maulik P. Shah was appointed as an additional director on the Board of Directors of the Company with effect from 19th November, 2011. Pursuant to provision of Section 260 and of Articles of Association of the Company Mr. Maulik P. Shah holds office upto the date of annual general meeting. The Company has received a notice in writing from a member of the Company signifying his intention to propose him as a candidature for director of the Company alongwith a fee of Rs. 500/-. The fees will be refunded if Maulik Shah is appointed as a Director of the Company. The Board recommends for the appointment.

None of the Directors other than Maulik P. Shah is interested in this resolution

BY ORDER OF THE BOARD OF DIRECTORS OF
AVI POLYMERS LIMITED

Place: Ahmedabad
Date: 30/05/2012

SHRI MANSUKH PATEL
MANAGING DIRECTOR

AVI POLYMERS LIMITED

DIRECTORS' REPORT

Dear Members,

The Directors are pleased to present the Annual Report together with the Audited statement of Accounts along with the report of auditors, for the year ended on 31st March, 2012.

<u>1. FINANCIAL RESULTS:</u>	Year Ended	Year Ended
	31.03.2012	31.03.2011
	<u>Amount(Rs.)</u>	<u>Amount(Rs.)</u>
Profit before Interest & Depreciation & Taxes	17,355	256,900
<u>Less :</u>		
Interest (net)	357	227,949
Depreciation	3,497	4,349
<u>Provision for Taxation:</u>		
-Current Tax	0	0
-Deferred Tax	0	0
-Fringe Benefit Tax	0	0
Total	3,854	232,298
Net Profit	13,501	24,602
Add. Prior Period adjustments	0	0
Net Profit After Taxation	13,501	24,602
Add: Balance of profit brought forward from previous year	(12,090,177)	(12,114,779)

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Balance Profit for the available for appropriation	(12,076,676)	(12,090,177)
Less. (1.) Proposed Dividend	0	0
(2.) Prov. For Tax on Div.	0	0
	-----	-----
	(12,076,676)	(12,090,177)
Less: Transferred to General Reserve	0	0
	=====	=====
Balance carried to Balance Sheet	(12,076,676)	(12,090,177)
	=====	=====

DIVIDEND :

Your Directors do not recommend any dividend for the year.

OPERATION

During the year company has reported total income of Rs. 1269.61 Lacs against total income of Rs. 529.73 lacs in the previous year, Net Profit of Rs. 13,501/- as against Net Profit of Rs. 24,602/- in the previous year.

FUTURE OUTLOOK

The Company expects that market condition will improve in the coming year and perform reasonably well.

STOCK EXCHANGES:

The company's shares are listed on Ahmedabad Stock Exchange Limited (ASE). The company has paid necessary listing fees for the years up to 2009-10. The company shall pay fees for remaining due years shortly.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO:

The Company has no particulars to report details in respect of Conservation of Energy, Technology Absorption.

There has been no foreign exchange earnings or outgo during the year under review.

RESEARCH & DEVELOPMENT:

There is no Research and development activity at present.

EMPLOYEES:

There are no employees under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975.

AUDITORS:

M/s. Ghanshyam K. Patel retiring auditors of the company have expressed their unwillingness to continue as auditors of the Company. The Company has received a notice in writing from a member of the Company proposing the name of M/s. M/s. Purushottam Khandelwal & Co as statutory auditors of the Company. The company has received a certificate from the auditors stating that their appointment, if made, will be within the limits prescribed by Section 224 (1B) of the Companies Act, 1956. The Directors recommend for their reappointment.

DIRECTOR'S RESPONSIBILITY STATEMENT

In compliance of Section 217(2AA) of the Companies Act, 1956 the Directors of the Company confirm:

No resolution was proposed to be passed through postal ballot. No resolution is proposed to pass through postal ballot at this annual general meeting.

6. MEANS OF COMMUNICATION:

Your company tries to comply with Clause 41 of the Listing Agreement. Further the company also sends its annual report to the shareholders. However the company does not send the copies of quarterly results to its shareholders.

7. 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 2011 – 2012.”

Subsidiary Company : The Company does not have any subsidiary company.

(Mansukh Patel)

(Managing Director)

8. GENERAL SHAREHOLDER INFORMATION :

(i)	Annual General Meeting Date, Time and Venue	Friday, 10 th August, 2012 at 11.00 a.m. at the Registered Office of the company at Ambica Compound Old H B Road Ranchi 834 001.
(ii)	Financial Calendar Year	1 st April, 2011 to 31 st March, 2012
(iii)	Date of Book Closure	8th August, 2012 to 10th August, 2012 (both days inclusive).
(iv)	Dividend Payment Date	Not Applicable
(v)	Registered Office	Ambica Compound Old H B Road Ranchi 834 001
(vi)	Plant Locations	Not applicable
(vii)	Investor Correspondence	AVI Polymers Limited Ambica Compound Old H B Road Ranchi 834 001
(viii)	Means of Communication	The company sends its annual results to the Members of the Company.
(ix)	Any Website where it displays official releases	No
(x)	Any presentation made to the institutional investor and analyst	No
(xi)	Is half yearly report sent to the shareholders	No
(xii)	Whether Management Discussion and Analysis is a part of this report	Yes

(xiii)	Share Transfer System	Physical transfer of shares is done within a period of 20 – 30 days
(xiv)	Listing and Stock Code	Ahmedabad Stock Exchange – 57969
(xv)	The name and address of Stock Exchanges where Company is listed	The Ahmedabad Stock Exchange, 1st Floor, Kamdhenu Complex, Panjara Pole, Ambawadi, Ahmedabad – 380 015
(xvi)	Compliance Officer	Shri Mansukh Patel, Managing Director
(xvii)	Email for investors correspondence / Complaints	avipolymer@gmail.com

9.FINANCIAL CALENDER:

Report Period	: 1 st April, 2012 to 31 st March, 2013
First Quarter Result	: Fourth Week of July, 2012 (tentative)
Half Quarter Result	: Third Week of October, 2012 (tentative)
Third Quarter Result	: Third Week of January, 2013 (tentative)
Fourth Quarter Result	: Third Week of of April, 2013 (tentative).

10. SHARE HOLDING PATTERN (AS ON 31-03-2012) :

(a) Categories of Shareholders (in %)

<u>Category</u>	No. of Shares	% of holding to total
Promoters, Directors, & Associates	1683800	30.03
Body Corporates	1430100	25.50
Mutual Funds	0	0
Banks, FIs, Insurance Companies	0	0
Public	2493400	44.47
Clearing Mambers	0	0
Total:	5607300	100

Price Information : Since the shares of the Company are not actively traded on the stock exchange, market price of the shares is not available to the Company.

11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

The Company has basically two areas of operations viz. cloth and chemicals. The Company has done good business during the financial year and is expected to grow in future.

CEO/CFO CERTIFICATION :

To,

The Board of Directors of

AVI POLYMERS Limited

I, Mansukh Patel, Managing Director appointed in terms of the Companies Act, 1956 and the CFO hereby certifies as follow :

- (a) I have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

- (d) I have indicated to the auditors and the Audit committee
- (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Mansukh Patel

Managing Director cum Chief Financial Officer

DISCLOSURES

Materially significant related party transactions

All the Related Party Transactions are forming part of the notes to the Balance Sheet. Other than those there was no materially significant related party transaction with its

promoters, directors or the management, their subsidiaries or relatives etc. that had a potential conflict with the interest of the Company at large.

The accounting treatment involved in the preparation of the financial statements is disclosed in the notes to the accounts.

Details of non compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or Securities and Exchange Board of India (SEBI) or any Authority on any matter related to capital markets during last three years:

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by the stock exchange or SEBI or any other statutory authority.

By Order of the Board

FOR AVI POLYMERS LIMITED

Date : 30th May, 2012

Place : Ahmedabad

Shri Mansukh Patel

Managing Director

Auditors Certificate on Compliance with the condition of Corporate Governance under Clause 49 of the listing agreement.

To the members of AVI Polymers Limited,

We have examined the compliance of corporate governance by AVI Polymers Limited for the financial year ended 31st March, 2012 stipulated in clause 49 of the listing agreement of the said Company with the stock exchange of India.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation there of, adopted by the company for ensuring the compliance of the condition of corporate governance. It is neither an audit nor and expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and explanation given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing agreement.

We state that in respect of investor grievances received during the financial year ended 31.03.2012, no investor grievances are pending against the company for a period exceeding one month as per record maintained by the company which are presented to the share holders/ investors grievance committee.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

FOR GHANSHYAM PATEL

CHARTERED ACCOUNTANTS

Place : Ahmedabad

Date : 30th May, 2012

GHANSHYAM PATEL

PROPRIETOR

GHANSHYAM K. PATEL
CHARTERED ACCOUNTANT

A-32, Ghanshyam Avenue, Opp. C.U.Shah College,

Post- Navjivan, Ahmedabad-380014.

AUDITORS' REPORT

AVI POLYMERS LIMITED.

AUDITOR'S REPORT TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of AVI POLYMERS LIMITED as at 31st March, 2012 and also the Profit and Loss Account and Cash flow statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidences supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management. As well as evaluating the overall financial statement presentation. We believe that our audit provided a reasonable basis for our opinion.

- (1) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (2) In our opinion proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of the books of accounts ;

- (3) The Balance Sheet and Profit & Loss Account and cash flow statement dealt with by this report are in agreement with the books of accounts.
- (4) In our opinion, the Profit & Loss Account and the Balance Sheet and cash flow statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- (5) On the basis of the written representations received from the Directors as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March 2012 from being appointed as a Director in terms clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- (6) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, Profit & Loss account and Cash Flow Statement read together with notes thereon give the information required by the Companies Act, 1956, in the manner so required and on such basis give a true and fair view :

a. In the case of the Balance Sheet of the state of the affairs of the Company as at 31st March, 2012.

b. In the case of the Profit & Loss Account of the PROFIT for the year ended on that date.

and

c. In case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For, Ghanshyam.K. Patel
(Chartered Accountant)**

Place : Ahmedabad.

Date :30th May,2012

Proprietor

M.NO.31440

GHANSHYAM K. PATEL
CHARTERED ACCOUNTANT

A-32, Ghanshyam Avenue, Opp. C.U.Shah College,

Post- Navjivan, Ahmedabad-380014.

Re : AVI POLYMERS LIMITED

Annexure referred to in paragraph 1 of our report even date.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks of the books of account and records as we considered appropriate during the course of the audit, we further state on the matters specified in the paragraphs 4 and 5 of the said order that :

- (1) (a) Proper records showing full particulars including quantitative details and situation of Fixed Assets of the company has been kept.
- (b) As informed by to us, the fixed assets have been physically verified by the management during the year and there is a regular programme of verification, which, in our opinion is reasonable regards to its nature of assets. As informed to us, no material discrepancies were noticed on verification.
- (c) No substantial parts of the fixed assets have been disposed off during the year.
- (2) (a) The inventory has been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of verification is reasonable..
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies, if any noticed on verification between the physical stocks and the books records were not material and have been properly dealt with.
- (3) (a) The company has not granted any loans, secured or unsecured, to the parties covered under the register maintained under section 301 of the Companies Act, 1956. So the question of maximum amount involved during the year and year end balance does not arise.
- (b) Since company has not granted any loans, secured or unsecured, to the parties covered under the register maintained under section 301 of the Companies Act, 1956. So the question of rate of interest does not arise.
- (c) Since company has not granted any loans, secured or unsecured, to the parties covered under the register maintained under section 301 of the Companies Act, 1956. So the question of repayment of loans does not arise.
- (d) Since the company has not given any loan to the parties covered in register maintain u/s 301, so the question of whether there are any overdue amount with the parties to whom loans granted does not arise.
- (e) As informed to us the company has not taken loan from parties covered under register to be maintaining u/s 301 of the Companies Act, 1956. Since the company has not taken any loan so the question of the maximum amount involved during the year and closing balance does not arise.
- (f) Since the company has not taken loan from the parties covered under register to be maintaining u/s 301 of the Companies Act, 1956, so the question of the terms and conditions which are not prima facie prejudicial to the interest of the Company does not arise.
- (g) Since the company has not taken loan so the question of whether the company is regular in repayment of loans as stipulated to the parties covered under register to be maintaining u/s 301 of the Companies Act, 1956 from whom loans are taken does not arise.
- (4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of the goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

- (5) (a) According to the information and explanation given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanation given to us, there are no transactions made in pursuance of such contracts or arrangements at prices which are not reasonable having regard to prevailing market prices at the relevant time.
- (6) In our opinion and according to the information and explanation given to us, the company has not accepted any deposits, as specified under the provision of section 58A and 58AA or any relevant provisions of the Companies Act 1956 and Companies (acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
- (7) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (8) As explained to us, the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 are not prescribed by the central government for the Company.
- (9) (a) According to the information and explanation given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues i.e. income -tax, sales -tax, wealth-tax, customs duty, excise duty, cess, investors education protection fund, employee state insurance and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, wealth tax, custom duty, excise duty and cess were in arrears, as at 31-03-2012 for a period of more than six months from the date they became payable.
- (c) The disputed statutory dues aggregating Rs.21.31 lacs that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Name of Status	Nature of dues	Amount Financial Year Rs. In lacs	Forum where dispute to which amt. relates	is pending
Income Tax Act, 1961	Tax on assessment u/s 143(3)	18.00	1999-2000	Gujarat High Court Ahmedabad.
Income Tax Act, 1961	Penalty u/s 271(1) (C)	6.93	1999-2000	CIT(Appeal)Ahmedabad
Income Tax Act, 1961	Tax on assessment u/s 143(3)	3.31	2000-2001	ITAT Ahmedabad.
		28.24		

- (10) The Company has accumulated losses at the end of the financial year which is not more than 50% of its net worth. Considering the above we are of the opinion that the Fundamental Assumption of "Going Concern" is not affected. The company has not incurred cash losses during the financial year covered by the audit and in the immediate preceding financial year.
- (11) In our opinion and according to the information and explanations given to us, there is no dues of any financial institutions, banks and debenture holders.
- (12) According to the information and explanation given to us, the company has not granted loans and advances on the basis of securities by way of pledge of shares, debentures and other securities. Therefore the provisions of clause 4(xii) of the Companies (Auditors Report) order, 2003 are not applicable.
- (13) In our opinion, the company is not a Chit Fund or a Nidhi/Mutual Benefit Fund/Society. Therefore the provisions of clause 4(xiii) of the Companies (Auditors Report) Order, 2003 is not applicable to the company.
- (14) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Therefore the provisions of clause 4(xiv) of the Companies (Auditors Report) Order, 2003 is not applicable to the company.
- (15) According to the information and explanation given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions. And hence the provisions of clause 4(xv) of the Companies (Auditors Report) Order, 2003 is not applicable.
- (16) In our opinion, no term loan was obtained during the year under audit, so this clause does not apply to this company.
- (17) According to the information and explanations given to us, and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for Long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.

- (18) According to the information and explanations given to us, the company has not made preferential allotment of shares to companies and parties covered in the register maintained u/s 301 of the Companies Act. Accordingly, the provisions of clause 4(XVIII) of the companies (Auditor's Report) Order, 2003 is not applicable.
- (19) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures. Accordingly, the provisions of clause 4(XIX) of the companies (Auditor's Report) Order, 2003 is not applicable.
- (20) The company has not raised any money by way of public issues during the year. Accordingly, the provisions of clause 4(XX) of the Companies (Auditor's Report) order, 2003 is not applicable.
- (21) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For GHANSHYAM K. PATEL.

Chartered Accountants.

Date : 30th May,2012.

Ghanshyam K. Patel

Place : Ahmedabad

**Proprietor
M.No. 31440**

AVI POLYMERS LIMITED
STATEMENT OF PROFIT AND LOSS
Profit and Loss statement for the year ended 31st March, 2012

Particulars	Note No	2011-12	2010-11
I. Revenue from operations	11	126961865	52973514
II. Other Income	12	0	42320
III. Total Revenue (I + II)		126961865	53015834
IV. Expenses:			
Cost of materials consumed		0	0
Purchase of Stock-in-Trade		103238049	39239196
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	13	216,140	(131,333)
Employee benefit expense	14	841577	283317
Financial costs	15	357	227949
Depreciation and amortization expense	16	3497	4349
Other expenses	17	22648744	13367754
IV. Total Expenses		126948364	52991232
V. Profit before exceptional and extraordinary items and tax	(III - IV)	13501	24602
VI. Exceptional Items		0	0
VII. Profit before extraordinary items and tax (V - VI)		13501	24602
VIII. Extraordinary Items		0	0
IX. Profit before tax (VII - VIII)		13501	24602
X. Tax expense:			
(1) Current tax			
(2) Deferred tax			
Total Tax		0	0
XI. Profit(Loss) from the period from continuing operations	(VII-VIII)	13501	24602
XII. Profit/(Loss) from discontinuing operations		0	0
XIII. Tax expense of discounting operations		0	0
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		0	0
XV. Profit/(Loss) for the period (XI + XIV)		13501	24602
XVI. Earning per equity share:			
(1) Basic		0.0024	0.0044
(2) Diluted		0.0024	0.0044
Significant Accounting Policies			
Notes on Financial Statements 1 to 27			

As per our report of even date

FOR, GHANSHYAM K.PATEL
 CHARTERED ACCOUNTANTS

FOR, AVI POLYMERS LIMITED

Membership No. 031440

Shri Mansukh Patel
 Managing Director

Shri Dinesh Chauhan Shri Maulik Shah
 Director Director

PLACE : AHMEDABAD
 Date: 30/05/2012

PLACE : AHMEDABAD.
 Date: 30/05/2012

AVI POLYMERS LIMITED
Ambica Compound, Old H.B. Road, Ranchi- 834001 Bihar
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2012

Particulars	Year ended 31.03.12	Year ended 31.03.2011
A CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT/(LOSS) before Taxes	13,501	24,602
Adjustments for:		
Depreciation	3,497	4,349
Operating Profit/Loss before working capital change	16,998	28,951
Adjustments for changes in working capital		
(Increase)/Decrease in Stock	216,140	(131,333)
(Increase)/Decrease in Sundry debtors	8,824,584	(6,027,749)
(Increase)/Decrease in Other current assets	0	(1,820)
(Increase)/Decrease in Loans & Advances	1,820	0
Increase/(Decrease) in Current Liabilities & Provisions	1,513,501	8,401,658
Cash generated from / (used in) operations	10,573,043	2,269,707
Taxes(Paid)/ Received	0	0
Net cash from/(used in) Operating activities	10,573,043	2,269,707
B CASH FLOW FROM INVESTING ACTIVITIES		
(Increase)/Decrease in fixed assets	0	0
(Increase)/Decrease in Investments	(11,000,000)	0
Net cash used in investment activities	(11,000,000)	0
C CASH FLOW FROM FINANCIAL ACTIVITIES		
Increase/(Decrease) in Loans	0	(2,089,185)
Net cash from financing activities	0	(2,089,185)
Net Increase / (decrease) in cash and cash equivalents	(426,957)	180,522
Opening balance of cash and cash equivalents	726,364	545,842
Closing balance of cash and cash equivalents	299,407	726,364

Notes to Cash flow statement:

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

This is the cash flow referred to in our report of even date

FOR, GHANSHYAM K.PATEL
 CHARTERED ACCOUNTANTS.

FOR, AVI POLYMERS LIMITED

PROPRIETOR
 Membership No. 031440
 PLACE : AHMEDABAD
 Date: 30/05/2012

Shri Mansukh Patel
 Managing Director

Shri Dinesh Chauhan
 Director

Shri Maulik Shah
 Director

PLACE : AHMEDABAD.
 Date: 30/05/2012

**SIGNIFICANT ACCOUNTING POLICIES ADOPTED BY THE COMPANY
IN THE PRESENTATION OF THE ACCOUNTS:-**

(a) SYSTEM OF ACCOUNTING

- (I) The accounts are prepared on the historical cost basis and on the accounting principles of going concern.
- (II) Accounting policies, not specifically referred to otherwise, are consistent and in consonance with generally accepted accounting principles.
- (III) All expenditures and income to the extent considered payable and receivables respectively, are accounted for on accrual basis

(b) FIXED ASSETS

Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation

(c) DEPRECIATION

Depreciation on fixes assets is provided on WDV method at rates and in the manner specified in Schedule IV of The Companies Act, 1956 read with the relevant circulars issued by the Department of Company Affairs.

(d) INVENTORIES

Inventory of Finished Goods is valued at Cost or Market Price whichever is lower.

(e) REVENUE RECOGNITION

The sales are shown net of discount on Sales, Sales return, Rate Difference and Kasar. Other income is recognised on accrual basis.

(f) CONTINGENT LIABILITIES

All liabilities have been provided for in the accounts except liabilities of a contingent nature which have been disclosed at their estimated value in the notes on accounts

(g) TAXATION

Provision is made for taxation on a yearly basis under the tax payable method, based on tax liability, as computed after taking credit for allowances and exemptions. In case of matters under appeal, due to disallowance or otherwise full provision is made when the said liabilities are accepted.

(h) PROVISION FOR DEFERRED TAX

In accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, Company has not accounted for deferred tax during the year. Consequently the deferred tax asset are recognised and carried forward only to the extent that there is reasonable certainty of their realisation.

(i) PROVISIONS , CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDING 31st MARCH, 2012

NOTE 1

SHARE CAPITAL

Equity Share Capital

Authorised Share Capital

6500000 Equity shares (P.Y. 65,00,000 shares) of Rs.10/- each

Issued,Subscribed and Paid Up Share Capital

5607300 (P.Y. 5607300) Equity Shares of Rs.10/- each

Fully paid up shares 26,25,900

Less : Calls Unpaid (29,81,400 shares)

Reconciliation of Number of Shares Outstanding

Opening number of shares outstanding

Add: Shares issued during the year

Less:Shares bought back during the year

Closing number of outstanding shares

	31/3/2012 Rs.	31/03/2011 Rs.
	65000000	65000000
	<u>65000000</u>	<u>65000000</u>
	56073000	56073000
	18025500	18025500
	<u>38047500</u>	<u>38047500</u>
	31/3/2012	31/03/2011
	5607300	5607300
	0	0
	0	0
	<u>5607300</u>	<u>5607300</u>

Shareholders Holding more than 5% shares

Sr. No.	Name of Party	As on 31.03.2012		As on 31.03.2011	
		No.of Shares held	% of Shares	No.of Shares held	% of Shares
1	Swetang Shah	557500	9.94	557500	9.94
2	Dhanvidhya Fin & Investment Consi. Ser. Pvt Ltd.	400000	7.13	400000	7.13
3	Vishal Shah	Nil	Nil	556700	9.93

NOTE 2

RESERVES AND SURPLUS

Surplus balance in Statement of Profit and Loss

Opening Balance

Add: Profit for the year

Less: Dividend Declared

Less: Bonus Shares Issued

	31/03/2012 Rs.	31/03/2011 Rs.
	(12090177)	(12114779)
	13501	24602
	0	0
	0	0
	<u>(12076676)</u>	<u>(12090177)</u>

CURRENT LIABILITIES

NOTE 3

TRADE PAYABLES

Trade Payables

For Goods purchased

For Services Received

Others

For Expenses

	31/03/2012	31/03/2011
	10079591	8624645
	32500	0
	11000	0
	<u>10123091</u>	<u>8624645</u>

NOTE 4

OTHER CURRENT LIABILITIES

TDS Payable

0 22795

VAT Payable

154250	116400
<u>154250</u>	<u>139195</u>

NON CURRENT ASSETS

**NOTE 5
FIXED ASSETS**

Particulars	Cost as at	Gross Addition	Block Adjust/ Sale	Total Cost at	Depreciation as on	Depreciation for the year	Depreciation Upto	NET BLOCK	
	01.04.2011							31.03.2012	As at 31.03.2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Plant & Machinery	67266	0	0	67,266	46,227	2,927	49,153	18113	21039
Computer	24065	0	0	24,065	22,641	570	23,211	854	1424
TOTAL	91331	0	0	91,331	68,868	3,497	72,364	18967	22463

**NOTE 6
NON-CURRENT INVESTMENT**

Trade Investments in Equity Shares - Unquoted Fully Paid Up

150000 (P.Y.150000) Equity shares of Nilkanth Finance Ltd. Of Rs.10 each	750000	750000
1400(P.Y.1400) Equity shares of GTCL Mobile-Com Tech.Ltd of Rs.10 each	14000	14000
68750 (P.Y. NIL)Equity Shares of Boscogen Biosciences (India) Ltd. of Rs.	11000000	0
	<u>11764000</u>	<u>764000</u>

**NOTE 7
Long Term Loans and Advances**

Deposits	145820	145820
Income tax		1820
Share Application Money	270000	270000
	<u>415820</u>	<u>417640</u>

CURRENT ASSETS

**NOTE 8
INVENTORIES**

Finished goods (Valuation method - Cost or Market Value whichever is lower)	48214	264354
	<u>48214</u>	<u>264354</u>

**NOTE 9
TRADE RECEIVABLES**

Secured considered good		
Exceeding 6months from due date of payment	0	0
Others	0	0
Unsecured considered good		
Exceeding 6months from due date of payment	10043230	0
Others	13658527	7799367
Doubtful	0	24726975
	<u>23701757</u>	<u>32526342</u>

**NOTE 10
CASH AND CASH EQUIVALENT**

Balances with banks		
i) With Non- Schedule Co. Operative Bank In Current A/c.	2221	2416

(Maximum Balance during the year : Rs.55,02,332/-)
 ii) With Scheduled Bank in Current A/c.

Cash on hand

62843	414514
234343	309434
<u>299407</u>	<u>726364</u>

NOTE 11

REVENUE FROM OPERATIONS

Sale of products
 Sale of Service
 Other operating revenue
 Less: Excise Duty

31/03/2012	31/03/2011
Rs.	Rs.
126961865	52973514
0	0
0	0
0	0
<u>126961865</u>	<u>52973514</u>

NOTE 12

OTHER INCOME

Other non-operating income
 Gain on Foreign Exchange Transactions
 Commission

0	12820
0	29500
<u>0</u>	<u>42320</u>

NOTE 13

(Increase)/Decrease in finished & semi finished stock.

Closing stock:-
 Finished goods

48,214	264,354
<u>48,214</u>	<u>264,354</u>

Less:-
 Opening stock:-
 Finished goods

264,354	133,021
<u>264,354</u>	<u>133,021</u>
<u>216,140</u>	<u>(131,333)</u>

Net (Increase)/Decrease in finished & semi finished stock

NOTE 14

EMPLOYEE BENEFIT EXPENSES

Salary and Wages
 Staff Welfare Expenses

831917	275761
9660	7556
<u>841577</u>	<u>283317</u>

NOTE 15

FINANCIAL COST

Interest expense

Interest on TDS
 Interest paid on borrowings from others

357	0
0	227949
<u>357</u>	<u>227949</u>

NOTE 16

DEPRECIATION AND AMORTIZATION EXPENSES

Depreciation on fixed assets

Plant & Machineries
 Computer

2927	3399
570	950
<u>3497</u>	<u>4349</u>

NOTE 17

OTHER EXPENSES

Bad Debts
 Professional Fees

22183745	13148944
76000	19000

ROC Expenses	6500	0
Stock Exchange Fees	98266	0
Sales Promotion	41305	67677
Rent	48000	24000
Repairs to buildings	0	0
Repairs to machinery	0	0
Insurance	1876	1236
Internet Exps.	1423	0
Rates and taxes, excluding taxes on income	3850	0
Miscellaneous expenses	19550	28959
Advertisement, Printing & stationary, Postage & telephone	86966	37075
Rebate, Discount and other selling exp.	155	0
Bank charges	6020	8206
Freight & Octroi		5300
Audit Fees	15000	15000
Loss on Foreign Exchange Transaction	60088	0
Switching Charges	0	12357
	<u>22648744</u>	<u>13367754</u>

NOTE 18

Profit & Los Account includes :

Remuneration to Managing Director and Whole time Director u/s.
198 of Companies Act. 1956.

(a)
Salaries

2011-12 (Rs.)	2010-11 (Rs.)
Nil	Nil

NOTE 19

Remuneration to auditors include :
For Audit

2011-12 (Rs.)	2010-11 (Rs.)
15000	15000

NOTE 20

The amounts have been rounded off to nearest Rupee.

NOTE 21

Previous year figures have been regrouped or rearranged wherever necessary so as to confirm to

NOTE 22

The information pursuant to Para 3, 4C and 4D of part II of Schedule VI to the Companies Act, 1956
extent applicable

- (I) Receipt & Payment in Foreign Currency :
Receipt: Nil
Payments: Nil

NOTE 23

As per the representation made by the management, the company has not received any intimation from suppliers, regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/ payable under this act could not be given.

NOTE 24

Related Party Transactions
Subsidiary companies/concern

2011-12 (Rs.)	2010-11 (Rs.)
NIL	NIL

NOTE 25

Earning and remittance in foreign currency
Purchase of goods
Sale of Goods

2011-12 (Rs.)	2010-11 (Rs.)
NIL	1109460
NIL	1924227

NOTE 26

2011-12

2010-11

(Rs.)

(Rs.)

Statement showing quantitative information :

(a) Licenses capacity, Installed capacity, and Actual production.

NIL

NIL

(b) Quantitative Details of Goods Traded

	Unit	31/03/11: 31/03/12		31/03/11 31/03/11	
		Qty-Kgs	Value	Qty-Kgs	Value
<u>Op.stock</u>	Kgs	2050	264354	1000	133021
Chemicals			<u>264354</u>		<u>133021</u>
<u>PURCHASES</u>	Kgs.	534967	57099966	342157	34961044
Chemicals	Bags	85	22525		
Organic Manure	Mts	837	45822764	67	4278198
Textile	Pcs.	3110	1198250		
			<u>104143505</u>		<u>39239242</u>
<u>SALES</u>	kgs.	536782	79457917	341107	49142189
Chemicals	Bags	85	25824		
Organic Manure	Mts	837	45838315	67	3831325
Textile	Pcs.	3110	1678760		
			<u>127000816</u>		<u>52973514</u>
<u>CLOSING STOCK</u>		235	48200	2050	264354
Chemicals					0
			<u>48200</u>		<u>264354</u>

NOTE 27**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	18.00	1999-2000	Gujarat High Court Ahmedabad
Income Tax Act, 1961	Tax on assessment	3.31	2000-2001	ITAT Ahmedabad
		<u>21.31</u>		

AVI POLYMERS LIMITED

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

FORM OF PROXY

Client Id :
Ledger Folio No :

DP Id :

I/We _____ of _____
_____ in the district of _____ being a shareholder/s of
the above named company hereby appoint
_____ of _____
_____ or failing him
_____ in the district of _____
_____ as my / our proxy to attend and
vote for me / us on my behalf at the Annual General Meeting of the Company to be held on Friday, 10th
August, 2012 at 11.00 A.M. and at any adjournments thereof.

Signed this _____ day of _____ 2012

Signature of First Shareholder in the box herein above provided	Signature of Second Shareholder in the box herein above provided	Signature of Third Shareholder in the box herein above provided

Affix revenue stamp of requisite value

Note : Proxy must be deposited at the registered office of the Company not less than 48 hours before the time for holding the Meeting.

AVI POLYMERS LIMITED

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

ATTENDANCE SLIP

Annual General Meeting of the Company to be Held on 10th August, 2012 At Ambica Compound, Old H B Road, Ranchi – 834 001 at 11.00 A.M.

Name of the Shareholder :
Folio No :
Client Id :

Name of the Proxy :
No. of Shares Held :
DP Id :

I/We hereby record my / our presence at the Annual General Meeting of the Company to be held on Friday, 10th August, 2012 at 11.00 A.M. At Ambica Compound, Old H B Road, Ranchi – 834 001

Signature of Shareholder / Proxy
Name :