



Resonance Specialties Limited

Registered Office: 301, Evershine Mall, Off Malad Link Road, Malad (W), Mumbai 400 064.
Tel: + 91-22-42172222 - 24Fax No: + 91-22-42172233
E-mail: info@resonancesl.com Website: www.resonancesl.com
CIN: L25209MH1989PLC051993

Ref. No.: RSL/2019-20/BSE/27

Date: 3rd September, 2019

To,
The Manager,
Listing Department,
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai- 40000

Sub.: Notice of 30th Annual General Meeting & Annual Report F.Y. 2018-19 and Details pertaining to Book Closure and E-voting for the purpose of 30th Annual General Meeting

Dear Sir / Madam,

With regards to the captioned subject find enclosed herewith Notice of the 30th Annual General Meeting and Annual Report for the FY 2018-2019 of Resonance Specialties Limited to be held on 28/09/2019.

Please find herein below the details pertaining to Book Closure and E-voting for the purpose of 30th Annual General Meeting (AGM) of the Company:

Scrip ID	Code/Type of Securities	Book closure (Both days inclusive)		Purpose
		From	To	
BSE :- 524218 ISIN- INE486D01017	Equity	Saturday, 21 st September, 2019	Saturday, 28 th September, 2019	AGM scheduled to be held on Saturday, 28 th September, 2019 at 11.00 a.m. at Raheja Classique Club, Infinity Mall, New Link Road, Andheri (West), Mumbai 400058
		Remote E-voting period		
		From Wednesday, 25 th September, 2019 (9.00 a.m.)	To Friday 27 th September, 2019 (5.00 p.m.)	AGM scheduled to be held on Saturday, 28 th September, 2019 at 11.00 a.m. at Raheja Classique Club, Infinity Mall, New Link Road, Andheri (West), Mumbai 400058





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	Cut-off date	
	Saturday, 21 st September, 2019	For determining the Members who shall be entitled to vote by remote e-voting or at the AGM.

Kindly take the same on your records.

Yours faithfully,

Thanks and Regards,

For Resonance Specialties Limited

Akhilesh Gupta

Company Secretary & Compliance Officer



30th Annual Report

2018-2019



Technological Excellence is Key to Success



Resonance Specialties Limited

Chairperson's Message

Dear Stakeholders,

While navigating through the various socio-economic challenges in last three decades, we as a company has been able to leverage our entrepreneurial abilities to bring the best to our stakeholders.

In this 30th year of our company , we have been able to strategically move forward by pioneering the products, leveraging the technology and better corporate governance.

With state of art technology and dedicated Research & Development centre, the company looks to synergise the resources and looks forward for superior revenue growth and profitability in longer term.

We remain committed to the high standards of corporate governance with assured focus on operational excellence while fighting the economic insecurities & business challenges.

On behalf of the Board, I thank everyone for continued trust and confidence bestowed on us.

With Warm Regards,

CA Archana Yadav



Managing Director's Message

Dear Shareholders

I am sure you will be happy to note that your Company has done well during the financial year 2018-19 and is making sustained efforts to be pioneer in developing total import substitutes for not only saving foreign exchange but to be globally competitive thru technological excellence.

Our GMP plant approved by US FDA for nutritional supplement ensures dependable quality to our customers.

We have made significant progress in having strategic tie up for marketing and are confident to have more of such tie up for the accelerated growth of your company.

With Warm Regards,

Dr. A. B. Gupta



RESONANCE SPECIALTIES LIMITED

BOARD OF DIRECTORS

Mr. L. R. Daga	- Chairman - Independent Director (Resigned w.e.f. 18/03/2019)
Ms. Archana Yadav	- Independent Director (Appointed as Chairperson w.e.f. 29/05/2019)
Dr. A. B. Gupta	- Managing Director
Mr. B. P. Agrawal	- Non-Executive Director
Dr. Yaqoob Ali	- Independent Director
Mr. Satish C. Mathur	- Whole-time Director (Resigned w.e.f. 14/11/2018)
Mr. Pankaj Khandelwal	- Whole-time Director (Appointed w.e.f. 01/06/2019)

REGISTERED OFFICE

301, Evershine Mall, Chincholi Bunder Junction
Link Road, Malad (W) Mumbai 400 064.
Tel: +91 (22) 4217 2222
Email: info@resonancesl.com
Website: www.resonancesl.com

STATUTORY AUDITORS

V. R. Bhabhra & Co.
Chartered Accountants
303, Sagar Shopping Center,
Andheri (W), Mumbai- 400 058

INTERNAL AUDITORS

Shailesh Pandey & Co.
Chartered Accountants
Office No. 5, Shree Sunrise CHS,
Navghar Road, Bhayandar (E),
Thane - 401105

BANKERS

BANK OF BARODA
Vile Parle (E), Mumbai 400057

PLANT

T-140 MIDC Industrial Estate
Tarapur, Maharashtra

SECRETARIAL AUDITORS

Alok Khairwar & Associates
Company Secretaries
708, 7th Floor, B Wing, Classic Apartment,
Shivshakti Colony, Kurar Village,
Malad - East, Mumbai- 400097

CORPORATE IDENTITY NUMBER

L25209MH1989PLC051993

REGISTRAR & TRANSFER AGENTS:

M/s. Adroit Corporate Services Pvt. Ltd.
Address: 17/18/19/20,
Jaferbhoy Ind. Estate, 1st Floor,
Makwana Road, Marol Naka, Andheri -59
Tel No: +91(22) 4227 0400
Email: info@adroitcorporate.com
Website: www.adroitcorporate.com

CFO & CS

Mr. Dwarika Prasad Agrawal, CFO (Appointed w.e.f. 14/08/2018)
Mr. Sagar Lambole, CS & Compliance Officer (Appointed w.e.f. 14/02/2019)

CONTENTS	PAGE NO.
Notice	2-7
Director's Report	8-22
Management Discussion And Analysis Report	22-24
Corporate Governance Report	24-35
Auditors' Report	36-41
Balance Sheet	42
Statement of Profit & Loss	43
Cash Flow Statement	44
Notes to Accounts	45-64
Proxy & Attendance Slip	65-66

NOTICE

Notice is hereby given that the Thirtieth (30th) Annual General Meeting of the Members of **RESONANCE SPECIALTIES LIMITED** will be held on Saturday, 28th September, 2019 at 11:00 a.m. at Raheja Classique Club, Infinity Mall, New Link Road, Andheri (West), Mumbai – 400058, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019, including the Audited Balance Sheet as at 31st March, 2019, the statement of Profit & Loss for the financial year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. B. P. Agrawal having DIN (02724594), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of V. R. Bhabhra & Co., Chartered Accountants (Firm Registration No.112861W) as Statutory Auditors of the Company.

SPECIAL BUSINESS:

4. **Continuation of Directorship of Mr. B. P. Agrawal as Non-Executive Director of the Company**

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

“RESOLVED AS A SPECIAL RESOLUTION THAT, pursuant to Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and the applicable provisions of the Companies Act, 2013 and relevant Rules made there under, including any statutory modifications or re-enactment thereof for the time being in force, approval of the Members be and is hereby accorded to Mr. Bishwanath Prasad Agrawal (DIN: 02724594), Non-Executive Director, who has already attained the age of 75 years to continue as Non-Executive Director of the Company on and after 1st April, 2019. Mr. B. P. Agrawal is liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”

5. **Confirmation of Appointment of Mr. Pankaj Khandelwal, as an Executive Director of the Company**

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 Sections 149, 152, 164, 165 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Pankaj Khandelwal (DIN: 07274235), who was appointed by Board of Directors as an Additional and Executive Director of the Company with effect from 1st June, 2019, be and is hereby appointed as Executive Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of section 161, 196, 197, 198, 203 and Schedule V read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), approval of the members of the Company be and is hereby accorded to the appointment of Mr. Pankaj Khandelwal (DIN: 07274235) as Whole time Director of the Company for a period of five years from 1st June, 2019, on the remuneration and on such terms and conditions as recommended by the Board of Directors in their meeting held on 29th May, 2019 and set out in explanatory statement attached hereto with liberty and authority to the Board of Directors to alter and vary the terms and conditions of the said appointment from time to time within the scope of Schedule V of the Companies Act, 2013, or any amendments thereto or any re-enactment thereof and as may be agreed to between the Board of Directors and Mr. Pankaj Khandelwal.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, the Company shall pay to Mr. Pankaj Khandelwal, in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit, subject to the limits prescribed herein and in Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary, desirable or expedient to give effect to this resolution.”

6. **Approval for entering into Related Party Transactions by the Company**

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

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to enter into the related party transactions by the Company with the respective related parties and for the amounts, as mentioned herein below:

Sr. No.	Nature of Transactions as per section 188 of the Companies Act, 2013	Name of the Director/ KMP who is related and nature of their relationship	Name of the Related Party	Amount (in Rs.)	
				Receipts / Credits	Payments/ Debits
1.	Sale and purchase of goods/ Conversion of Goods	Dr. A. B. Gupta is Member / Relative of Member of the Co.	Avignon Exim Pvt. Ltd.	12,00,00,000	8,00,00,000
2.	Sale and purchase of goods/ Conversion of Goods	Dr. A.B Gupta is Member / Relative of Member of the Co.	Vista Organics Pvt. Ltd.	-	12,00,00,000
3.	Leasing of Property	Dr. A.B Gupta is Member / Relative of Member of the Co.	Vista Finance & Leasing Pvt. Ltd.	-	10,00,000
4.	Leasing of Property	Dr. A.B Gupta is Member / Relative of Member of the Co.	Avignon Chemicals Pvt. Ltd.	-	10,00,000
5.	Leasing of Property	Dr. A.B Gupta is Member / Relative of Member of the Co.	Ushma Investments Pvt. Ltd.	-	10,00,000

RESOLVED FURTHER THAT the Board of Directors of the Company and/or a Committee thereof, be and is hereby authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company."

Dated: 31st August, 2019	For and on behalf of the Board of Directors
Registered Office: 301, Evershine Mall, Chincholi Bunder Junction, Off. Malad Link Road, Malad (W). Mumbai – 400064	Dr. A. B. Gupta Managing Director (DIN: 00025255)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE AGM i.e. by 11.00 AM on 26th September, 2019.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total paid up share capital of the Company.
3. Relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business, as set out above is annexed hereto.
4. Route-map of the AGM venue, pursuant to the Secretarial Standard on General Meetings, is also annexed.
5. Members/proxies should fill the Attendance Slip for attending the meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold

shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.

8. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at Registered Office of the Company on all working days, except Saturdays between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
9. The Register of Members and the Share Transfer Book of the Company will remain closed from 21st September, 2019 to 28th September, 2019 (both days inclusive).
10. The Members are requested to:
 - a. Intimate to the Company's Registrars and Share Transfer Agents, M/s. Adroit Corporate Services Private Limited (for shares held in physical form) and to their Depository Participants (DP) (for shares held in dematerialized form) the changes, if any, in their registered address, Bank account number / details etc. at an early date;
 - b. Quote ledger folio numbers / DP Identity and Client Identity Numbers in all their correspondences;
 - c. Approach the Company for consolidation of folios, if shareholdings are under multiple folios;
 - d. Get the shares transferred in joint names, if they are held in single name to avoid inconvenience;
 - e. Bring their copies of the Annual Report and the Attendance Slip duly filled in for attending the Annual General Meeting;
 - f. To note that no gifts will be distributed in the AGM;
 - g. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company at the registered office address so as to reach at least seven days before the date of the Meeting, to enable the information required to be made available at the Meeting, to the best extent possible;
 - h. Furnish their Bank Account Details (Bank Account Number, 9 digit MICR and 11 digit IFS Code), the name of the Bank and the Branch where they would like to deposit the Dividend Warrants for encashment. These particulars will be printed on the cheque portion of Dividend Warrants, besides the name of the Shareholders so as to avoid fraudulent encashment of warrants. The above mentioned details should be furnished by the first / sole shareholder, directly to the Registrar & Share Transfer Agents, quoting the folio number;

- i. In order to help Members ascertain the status of unclaimed dividends, the Company has uploaded the information in respect of unclaimed dividends for the financial year ended 31st March, 2014 and subsequent years as on the date of the previous AGM i.e. 14th August, 2018 (29th AGM) on the website of the Company and under "Investor Relations" section on the website of the Company, www.resonancesl.com.
11. The Securities and Exchange Board of India ('SEBI') has mandated the transfer of securities to be carried out only in dematerialised form (except in case of transmission or transposition of securities) effective from 1st April, 2019. Accordingly, requests for physical transfer of securities of listed entities shall not be processed from 1st April, 2019 onwards. In view of such amendment and in order to eliminate the risks associated with physical holding of shares, Members who are holding shares in physical form are hereby requested to dematerialise their holdings.
12. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
13. Consequent upon the introduction of Section 72 of the Companies Act, 2013 and Rule 19 of the Companies (Share Capital and Debentures) Rules 2014, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH 13 (which will be made available on request) to the Registrar and Transfer Agents, M/s. Adroit Corporate Services Private Limited.
14. The Equity Shares of the Company are listed on the BSE. The listing fee has been paid up to date.
15. Members who have not registered their e-mail addresses so far are required to register their e-mail address for receiving all communications including Annual Report, notices etc. from the Company electronically.
16. The disclosures required Regulation 17 & 26 of the SEBI (LODR) Regulations, 2015; in respect of the Directors being appointed/reappointed in this Annual General Meeting are given as annexure A to this Notice convening Annual General Meeting.
17. Information for shareholders relating to E-voting are as under:
- Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44(3) of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means.
 - The members who have cast their vote by e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
 - The Company has engaged the services of Central Depository Services Limited ("CDSL") as the Agency to provide e-voting facility.
 - The Board of Directors of the Company has appointed **M/s. Alok Khairwar and Associates**, Practicing Company Secretaries, Mumbai as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for same purpose.
18. **The Instructions for shareholders voting electronically are as under:-**
- The voting period begins on Wednesday, 25th September, 2019 at 9.00 a.m. and ends on Friday, 27th September, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - The Shareholders should Log on to the e-voting website www.evotingindia.com.
 - Click on Shareholders/Members tab.
 - Now Enter your User ID:
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - Next enter the Image Verification as displayed and Click on Login.
 - If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
 - If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Resonance Specialties Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

**EXPLANATORY STATEMENT
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)**

ITEM NO. – 4**Continuation of Directorship of Mr. B. P. Agrawal as Non-Executive Director of the Company**

Mr. B. P. Agrawal, Non-Executive Director, whose term of office is liable to retire by rotation, was re-appointed as Director by Shareholder in the 29th Annual General Meeting held on 14th August, 2018.

Mr. B. P. Agrawal is 75 years old. In view of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, with effect from 1st April, 2019, a listed entity is required to obtain the approval of Members by way of Special Resolution to appoint or continue the directorship of any non-executive director, who has attained the age of seventy five years.

In order to continue the directorship of Mr. B. P. Agrawal, Non-Executive Director, with effect from 1st April, 2019, the Board of Director at their meeting held on 29th May, 2019 recommended obtaining approval of shareholders by way of special resolution.

All the existing terms and conditions of appointment of Mr. B. P. Agrawal, Non-Executive Director, shall remain unchanged.

The terms and conditions of appointment of Mr. B. P. Agrawal, Non-Executive Director shall be open for inspection by the Members at the registered office of the Company during business hours on any working day.

The Board of Directors recommended the resolution at Item No. 4 of the Notice for approval of Members by Special Resolution.

Apart from Mr. B. P. Agrawal, who is interested himself, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. – 5**Appointment of Mr. Pankaj Khandelwal, as an Executive Director of the Company**

Mr. Pankaj Khandelwal was appointed as an Additional Director of the Company in executive capacity with effect from 1st June, 2019 pursuant to the provisions of section 161 of the Companies Act, 2013 (the "Act") by the Board of Directors at their meeting held on 29th May, 2019.

In terms of the provisions of section 161 of the Act, Mr. Pankaj Khandelwal will hold office upto the date of the ensuing Annual General Meeting (AGM).

Mr. Pankaj Khandelwal is not disqualified from being appointed as Director under section 164 of the Act and has complied with the requirement of obtaining the Director Identification Number in terms of section 152(3) of the Act.

The Board will be informed that Mr. Pankaj Khandelwal (aged 46 years) has done B. Tech. Chemicals from REC Warangal, Andhra Pradesh. He has been currently working as DGM Commercial and Logistics. He possesses the vast experience of 25 years in the various fields.

The Board of Directors considers that in view of the background and experience of Mr. Pankaj Khandelwal, it would be in the interest of the Company to appoint him as an Executive Director of the Company under the provisions of the Act.

The appointment and remuneration payable to the said appointee is also subject to the approval of the Members.

No Director, Key Managerial Person and their relatives are in any way concerned or interested in the resolution at Item No. 5 of the Notice except Mr. Pankaj Khandelwal.

Your Board recommends the above resolution at item No. 5 of the accompanying Notice for your approval.

ITEM NO. – 6**Approval for entering into Related Party Transactions by the Company**

The provisions of Section 188(1) of the Companies Act, 2013 ("Act") that governs the Related Party Transactions, through which the Act ensures the transparency in the transactions and dealings between the related parties of the Company, requires that for entering into any contract or arrangement as per the provisions of the section 188(1) of the Companies Act, 2013, a Company having paid up share capital of more than Ten Crore rupees and in the Sale, purchase, or supply of any goods or materials the transaction value is more than particular percentage of annual turnover and in case of availing or rendering of any services are more than 10 % of the turnover of the company or Rupees fifty Crore whichever is lower then, as per the provision of the act prior approval of the disinterested shareholders by way of a Special Resolution must be obtained.

The Board of Directors of the Company took note that for good governance and for appropriate compliance the Company has developed an efficient systems and practices and stringent operational control processes and with complete transparency may extend the good governance.

As per the provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013).

The particulars of the transactions pursuant to the provisions of section 188 and the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

- (1) Name of the Related Party:
- (2) Name of the Director or Key Managerial Personnel who is related, if any:
- (3) Nature of Relationship:

(Item 1-3 above are detailed in table below)

Sr. No.	Nature of Transactions as per section 188 of the Companies Act, 2013	Name of the Director/ KMP who is related and nature of their relationship	Name of the Related Party	Amount (in Rs.)	
				Receipts / Credits	Payments/ Debits
1.	Sale and purchase of goods/ Conversion of Goods	Dr. A. B. Gupta is Member / Relative of Member of the Co.	Avignon Exim Pvt. Ltd.	12,00,00,000	8,00,00,000
2.	Sale and purchase of goods/ Conversion of Goods	Dr. A.B Gupta is Member / Relative of Member of the Co.	Vista Organics Pvt. Ltd.	-	12,00,00,000
3.	Leasing of Property	Dr. A.B Gupta is Member / Relative of Member of the Co.	Vista Finance & Leasing Pvt. Ltd.	-	10,00,000
4.	Leasing of Property	Dr. A.B Gupta is Member / Relative of Member of the Co.	Avignon Chemicals Pvt. Ltd.	-	10,00,000
5.	Leasing of Property	Dr. A.B Gupta is Member / Relative of Member of the Co.	Ushma Investments Pvt. Ltd.	-	10,00,000

Any other information relevant or important for the Board/Members to take a decision:

The support and services being provided by/to the Company to/from its related parties in relation to business enhancement and for building up good practices and process systems are overall towards the benefit and in the interest of the Companies. The respective agreements are entered on arm's length basis and all factors relevant to the respective contracts have been considered by the Board before approval and presenting it to Member approval.

The members are further informed that no member/s of the Company being a related party or having any interest in the resolution as set out at Item No. 6 shall be entitled to vote on this special resolution.

Except above named Directors and their relatives (to the extent of their shareholding interest in the Company), no other director or Key Managerial Personnel or their relatives, is concerned or interested financially or otherwise, in passing of this resolution.

The Board of Directors recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the Members.

Details of Directors seeking appointment/ re-appointment at the 30th Annual General Meeting

(In pursuance of Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard -2 on General Meetings)

No. 1:

Name	: Mr. Bishwanath Prasad Agrawal
Fathers' Names	: Mr. Lakshmichand Agrawal
Date of Birth	: 23/01/1944
Date of Appointment	: 30/06/2009
DIN	: 02724594
Expertise in specific functional areas	: He was associated with Department of Atomic Energy for long term. Thereafter, he worked with well known fertilizers and petrochemical plant in Iran. He has strong hold on functioning of chemical plant.
Years of Experience	: 53 Years
Qualifications	: Mechanical Engineer from Bhagalpur University
List of outside Directorship held in other Listed Companies	: NIL

Member of Committee on the Board	: 2 (Two)
Member/ Chairman of Committee in other Listed Companies	: NIL
No. of Board Meetings attended during the Year	: 4
No. of shares held in own name or in the name of relative(s)	: NIL

No. 2:

Name	: Mr. Pankaj Khandelwal
Fathers' Names	: Mr. Goverdhan Khandelwal
Date of Birth	: 20/03/1973
Date of Appointment	: 01/06/2019
DIN	: 07274235
Expertise in specific functional areas	: Shipping Line, Automobiles, Department Stores, Industrial Automation, Construction
Years of Experience	: 25 Years
Qualifications	: B. Tech. Chemicals
List of outside Directorship held in other Listed Companies	: NIL
Member of Committee on the Board	: N.A.
Member/ Chairman of Committee in other Listed Companies	: N.A.
No. of Board Meetings attended during the Year	: N.A.
No. of shares held in own name or in the name of relative(s)	: NIL

Dated: 31st August, 2019

Registered Office:
301, Evershine Mall,
Chincholi Bunder
Junction,
Off. Malad Link Road,
Malad (W), Mumbai –
400064

**By order of the Board,
For Resonance Specialties Ltd.**

Dr. A. B. Gupta
Managing Director
(DIN: 00025255)

DIRECTORS' REPORT

To,
The Members,
Resonance Specialties Limited

Your Directors have great pleasure in presenting 30th Annual Report along with the Audited Financial Statements for the financial year ended 31st March, 2019.

1. FINANCIAL RESULTS:

The financial performance of the Company for the financial year ended 31st March, 2019 is summarized as under:

(Figures in Rupees Lakhs)

Particulars	2018-19	2017-18
Turnover	4,162.94	3,596.07
Other Operating Income	139.17	110.79
Profit/ (Losses) Before Interest, Depreciation, Exceptional Items and Taxation	628.58	175.45
Interest and Finance cost	53.59	54.84
Depreciation	90.65	114.62
Exceptional Items and Others	8.50	2.60
Taxes including deferred tax	155.38	80.20
Profit/ (Losses) after taxes including deferred tax	320.46	(76.81)
Balance in P&L account brought forward	588.54	658.63
Balance in the P&L account carried forward to the Balance Sheet	320.42	(69.41)

2. REVENUES:

During the year under review, your Company's –

- Total Operational Revenues stood at Rs.4162.94 Lakhs;
- Operational Expenditure was Rs.3673.54 Lakhs;
- Operating profit (EBITDA) was Rs. 628.58 Lakhs;
- Profit before Tax stood at Rs. 475.84 Lakhs.

Operational Revenue stood at Rs. 4162.94 lakhs and is increased by 15.76% from last year's turnover of 3596.07 lakhs.

3. DIVIDEND:

As a prudent economic measure and in order to conserve the scarce liquid resources of the Company, the Directors do not recommend any dividend on the equity shares for the year under review.

4. SHARE CAPITAL:

During the year under review, the Company has not issued nor redeemed any shares; so the share capital stands at par with the last year, which stood as Authorised Share Capital at Rs. 1500.00 Lakhs divided into 150.00 lakhs Equity Shares of Rs. 10.00/- each as on 31st March, 2019 and paid up Share Capital at Rs. 1154.40 Lakhs divided into 115.44 Lakhs Equity Shares of Rs. 10.00/- each fully paid up.

5. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, Mr. Satish Chander Mathur, Whole-Time Director of the Company was resigned with effect from 14th November, 2018.

During the year, Mr. L. R. Daga, Independent Director of the Company, was ceased to be Director of any company w.e.f. 18th March, 2019 due to disqualification occurred in other company in which he is holding the position of director. In this regard, the Company has filed the respective Form DIR-12 with the Registrar of Companies, Mumbai, and also informed the BSE on an immediate basis.

During the year, in the meeting of the Board of Directors held on 14th August, 2018, Mr. Dwarka Agrawal was appointed as Chief Financial Officer (CFO) of the Company with effect from 14th August, 2018; Ms. Shital Churi, Chief Financial Officer and Ms. Minal Bhosale, Company Secretary & Compliance Officer were resigned from their post w.e.f. 14th August, 2018.

During the year, in the meeting of the Board of Directors held on 14th November, 2018, Ms. Priyanka Shah was appointed as Company Secretary and Compliance Officer of the Company w.e.f. 11th October, 2018 and she was resigned from such position by giving resignation letter dated 31st January, 2019.

During the year, in the meeting of the Board of Directors held on 14th February, 2019, Mr. Sagar Lambole has appointed as Company Secretary and Compliance Officer of the Company with effect from 14th February, 2019.

Pursuant to the provisions of Regulation 17(1A) of SEBI (LODR) Regulations, 2015 (as amended from time to time), No listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect. Therefore, the Board recommends for continuation of directorship of Mr. B. P. Agrawal as Non-Executive Director of the Company. A resolution seeking shareholders' approval for their appointment forms a part of the Notice.

In the meeting of the Board of Directors held on 29th May, 2019, Mr. Pankaj Khandelwal has been appointed as an Additional and Executive Director of the Company w.e.f. 1st June, 2019. Therefore, the Board recommends to appoint him as an Executive Director of the Company as shown in the Item No. 5 of the Notice of 30th AGM.

Mr. B. P. Agrawal, Non-Executive Director retires by rotation and, being eligible, offers himself for re-appointment at the ensuing Annual General Meeting of the Company. Your Directors recommend his appointment at Item No. 2 of the Notice convening the Annual General Meeting.

In the meeting of the Board of Directors held on 29th May, 2019, Mrs. Archana Yadav, Independent Women Director of the Company was elected as Chairman of the Board of Directors and the Company.

Pursuant to the provisions of section 149 of the Act, Ms. Archana Surendra Yadav, and Mr. Yaqoob Ali, are the Independent Directors of the Company. All the Independent Directors have submitted a declaration that each of them meets the criteria of independence as provided in section 149(6) of the Act and there has been no change in the circumstances which may affect their status as Independent Director during the year.

Brief profiles of the Directors proposed to be appointed/ re-appointed; qualification, experience and the names of the Companies in which they hold directorship, membership of the board committees, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided along with the Notice convening Annual General Meeting.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2019 are: Mr. Atma Bandhu Gupta, Managing Director, Mr. Dwarika Agrawal, Chief Financial Officer (CFO) and Mr. Sagar Lambole, Company Secretary.

6. NO. OF MEETING OF THE BOARD:

Four meetings of the Board were held during the year under review. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this report.

7. BOARD COMMITTEES:

Currently, the Board has three Committees: the Audit Committee, the Nomination and Remuneration Committee, the Stakeholder's Relationship Committee. Also the Independent Directors meeting is held once in the year to discuss the overall performance of each Director and Board as a whole. A detailed note on the composition of the Board and its Committees is provided in the Corporate Governance Report section of this Annual Report.

8. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

9. REPORTING OF FRAUDS:

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

10. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, as amended with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- (a) In the preparation of the annual accounts for the Financial Year ended 31st March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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 your Company as at 31st March, 2019 and of its profit for the year ended on that date;

- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts for the Financial Year ended on 31st March, 2019 on a going concern basis;
- (e) The Directors have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and were operating effectively. The details of the same forms part of Management Discussion and Analysis Report; and
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report for the year under review as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is given as a separate annexure to this Report.

12. PUBLIC DEPOSITS:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

13. STATUTORY AUDITORS:

V. R. Bhabhra & Co., Chartered Accountants (Registration No.112861W) were appointed by the shareholders at the 28th Annual General Meeting to hold office until the conclusion of 32nd Annual General Meeting subject to ratification by shareholders at each Annual General Meeting. Company has obtained from the Auditors, a certificate as required under Section 139 of the Companies Act, 2013 to the effect that they are eligible to continue as statutory auditor of the Company. The Board considered the matter and thereafter decided that the ratification of the above named Auditors be recommended to the shareholders at the forthcoming Annual General Meeting, on such remuneration, fee and out of pocket expenses as shall be fixed by the Board of Directors of the Company in consultation with Auditors.

The observations and comments given in the Auditors Report read together with the notes to the accounts are self-explanatory and hence do not call for any further information and explanation under section 134(3) of the Companies Act, 2013.

14. SECRETARIAL AUDITOR:

Secretarial Audit for the Financial Year 2018-19 was conducted by Alok Khairwar & Associates; Company Secretaries (COP 12880) in accordance with the provisions of Section 204 of the Companies Act, The Secretarial Auditor's Report is attached to this Report as Annexure-B.

Secretarial Audit Report do not contain any qualification, reservation or adverse remark or disclaimer.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

The Company has not given any loans or made any investments covered under the provisions of section 186 of the Companies Act, 2013.

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

Sr. No.	Name of the Related Party	Particulars of Contracts/ arrangements	Value of Transactions in Rs.
1	Avignon Exim Pvt. Ltd.	Sale and purchase	37,71,073
2	Avignon Exim Pvt. Ltd.	Conversion Charges	Nil
3	Vista Organics Pvt. Ltd.	Conversion Charges	5,67,82,451
5	Vista Organics Pvt. Ltd.	Purchase of Raw Materials	17,55,975
6	Ushma Investment Pvt. Ltd.	Rent	9,00,000
7	Avignon Chemical Pvt. Ltd.	Rent	9,00,000
8	Vista finance & Leasing Pvt. Ltd.	Rent	9,00,000
9	Mrs. Usha Gupta	Salary	8,00,004
10	Mr. L. R. Daga	Professional Fees	33,750
11	Ramanand Associates - Interest of Ms. Archana Surendra Yadav	Professional Fees	NIL
12	Y-Chem Consulting Interest of Dr. Yaqoob Ali	Professional Fees	4,32,000
13	Neha Consulting Agency - Interest of Mr. Bishwanath Prasad Agrawal	Professional Fees	NIL
14	Bishwanath Prasad Agrawal	Professional Fees	1,85,000

18. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the Company does not fall under the criteria of Section 135 of Companies Act, 2013.

19. CRITERIA FOR SELECTION OF CANDIDATES FOR APPOINTMENT AS DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL:

The Nomination and Remuneration Committee has laid down a well-defined criteria for selection of candidates for appointment as Directors, Key Managerial Personnel and Senior Management Personnel in the Nomination and Remuneration Policy recommended by them and approved by Board of Directors.

20. VIGIL MECHANISM POLICY:

The Company has a vigil mechanism policy to deal with instances of fraud and mismanagement, if any. The vigil mechanism policy is uploaded on the website of the Company at the website www.resonancesl.com.

21. POLICY ON DOCUMENTS RETENTION:

The Company has a policy on Documents Retention and the same has been displayed on the Company's website www.resonancesl.com.

The Company has also not given any guarantee during the year.

16. SUBSIDIARY COMPANIES:

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

22. POLICY ON DETERMINATION OF MATERIALITY OF EVENTS:

The Company has a policy on determination of Materiality of events and the same has been displayed on the Company's website www.resonancesl.com.

23. ADOPTION OF INDIAN ACCOUNTING STANDARDS (Ind AS):

The Ministry of Corporate Affairs (MCA), vide its notification in the Official Gazette dated 16th February, 2015, notified applicability of Ind AS (Indian Accounting Standard) to a certain class of Companies. Accordingly, Ind AS was applicable to your Company for the accounting period beginning 1st April, 2016. Your Company has adopted the Ind AS and the financial statements comply with all aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

24. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has Internal Control Systems, commensurate with the size, scale, and complexity of its operation. The Internal Audit Team monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies within the Company. Based on the report of internal audit function process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant observations and corrective actions thereon are presented to the Audit Committee from time to time.

25. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

The Company has in place adequate internal financial control commensurate with the size, scale, and complexity of its operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, 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. The Company has adopted accounting policies, which are in line with the Accounting Standards and the Companies Act, 2013.

26. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year, no complaint has been received.

27. EXTRACT OF THE ANNUAL RETURN:

An extract of the Annual Return as of 31st March, 2019 pursuant to sub-section (3) of Section 92 of the Companies Act, 2013 and forming part of the report is attached separately as Annexure-"A" to the Board's Report.

28. REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES:

The Nomination and Remuneration Committee has laid down the policy for remuneration of Directors, Key Managerial Personnel and Senior Management Personnel in the Nomination and Remuneration Policy recommended by them and approved by Board of Directors which can be accessed by web link <http://www.resonancesl.com/policies.html>.

29. DETAILS OF FAMILIARIZATION PROGRAMME ARRANGED FOR INDEPENDENT DIRECTORS HAVE BEEN DISCLOSED ON WEBSITE OF THE COMPANY:

The Familiarization Programme for Independent Directors is hosted on the Company's website at www.resonancesl.com.

30. EMPLOYEES:

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel), 2014 has been appended as Annexure 'I' to this Report. The information as required under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request by any member of the Company. In terms of Section 136 (1) of the Companies Act, 2013, the Report and the Accounts are being sent to the members excluding the said Annexure. Any member interested in obtaining copy of the same may write to the Company Secretary at the Registered Office of the Company.

31. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

As required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in Annexure 'II' to the Board's Report hereto and forms part of this report.

32. Industrial Relations:

The industrial relations continued to be generally peaceful and cordial during the year.

33. Transfer to Investor Education and Protection Fund (IEPF):

Your Company has during the year under consideration not transferred any sum to IEPF as the dividend was declared for the year 2013-14 and 2014-15, hence it is kept open for the period of 7 years for the Investors to claim the same and it is due for transfer to IEPF in the year 2021 and 2022 respectively.

34. RISK MANAGEMENT:

The Company has a Risk Management Policy which has been adopted by the Board of Directors. Currently, the Company's risk management approach comprises Governance of Risk Identification of Risk Assessment of Control of Risk. The risks are identified and are discussed by the representatives from various functions. The Board and the Audit Committee provide oversight and review the risk management policy periodically.

35. CORPORATE GOVERNANCE REPORT:

A report on the Corporate Governance along with the Certificate from the Company Secretary in practice is separately given in the Annual Report.

36. ACKNOWLEDGEMENT:

The Board of Directors express their appreciation for the sincere co-operation and assistance of Government Authorities, Bankers, Customers, Suppliers, Business Associates and the efforts put in by all the employees of the Company. The Board of Directors expresses their gratitude to all our valued shareholders for their confidence and continued support to the Company.

For and on behalf of the Board

Dr. A. B. Gupta
Managing Director
DIN: 00025255

Ms. Archana Yadav
Director
DIN:07335198

Date : 29th May, 2019
Place: Mumbai

Annexure 'I' to the Board's Report

Particulars of Employees pursuant to Section 197(12) of the Companies Act, 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i. The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year.

Dr. Atma Bandhu Gupta (MD): 1:18.93

- 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.

Directors:

- Dr. A. B. Gupta (MD): N.A.

Key Managerial Personnel:

- Mr. Sagar Lambale (CS): N.A.
- Mr. Dwarka Agrawal (CFO): N.A.

- iii. The percentage increase in the median remuneration of employees in the financial year – N.A.

- iv. The number of permanent employees on rolls of the company: 65 employees as on 31st March, 2019.

- v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Average Salary increase for KMP other than MD and WTD: N. A.

Average Salary increase for non KMPs:

- i. Affirmation that the remuneration is as per the Remuneration policy of the Company. The remuneration paid to employees is as per the remuneration policy of the Company.

Annexure 'II' to the Board's Report

Information pursuant to Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 forming part of Directors' Report for the year ended 31st March, 2019.

A. Conservation of Energy**i. Steps taken or impact on conservation of energy:**

- Optimized power consumption via development in existing processes by change in catalyst, stabilization of operating variables and improvisation of downstream operations.
- Increase in plant capacity by increasing feed rates without affecting yield efficiencies with necessary changes in fixed bed and fluidized bed reactors.

ii. The capital investment on energy conservation investments

- In-house preparation of commercial grade catalyst for Fluidized bed process.
- Modification in Reactor stream to increase its capacity.
- Modification in Extraction unit for increased extraction capacity.
- Modification in continuous solvent recovery system to handle higher volume of distillate

iii. Impact of the Above Measures:-

- Conservation of energy by increase in yield and volume of production.
- Reduction in the Cost of Production by lower power consumption in relation to the cost of output.

B. Technology Absorption**i. The efforts made towards technology absorption**

- In-house catalyst synthesis and its optimization for our reactions to increase yield and efficiency.
- Increasing the plant capacity for all our reactions and distillations

ii. The benefits derived like product improvement, cost reduction, product development or import substitution

- The Company has improved the quality of final product to meet the requirement of export market and introduced new grades.

- There is a cost reduction.

- Better efficiency in product formation/process development

- New products/Process development.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

- There was no import of technology during the year as well as in the last 3 years.

iv. The expenditure incurred on R & D**v. The Company incurred following expenses for research and development.**

- Capital : Rs. NIL Lakhs
- Recurring Rs. 90.23 Lakhs
- Total R&D Expenditure as a percentage of the total turnover is 2.17% (P.Y. 2.60%).

C. Foreign Exchange Earnings and Outgo

Activities Replating To Exports Activities Taken To Increase Exports, Developments Of New Export Markets For Product And Export Plans.

The Company is exploring new markets for its value added products through third party exports. The company's exports (including Deemed Exports) are Rs.2,648.66 Lakhs as against Rs.1,655.76 Lakhs in the international market during the previous year.

Foreign exchanges earned and out-go during the year ended March 2019.

(Rupees in Lakhs)

Particulars	2018-19	2017-18
Foreign Exchanges Earned : FOB Value of Exports	2,648.66	1,655.76
Total	2,648.66	1,655.76

FORM-A		
Form for Disclosure of particulars with respect of conservation of energy		
1. Total Energy Consumption		
A. Electricity		
(a) Purchased Units (Nos.)	19,05,558	20,69,120
Total amount Rs. (Lakhs)	162.10	161.27
Average rate Rs. /Unit	8.5	7.70
(b) Own Generation		
Through diesel generation unit (Nos.)	95,200	18,973
Units per litre of diesel	3.4	4.36
Average cost Rs./Unit	20.98	15.57
B. Coal (Quantity - MT)	2,912	3,288
Total Amount (in Lakhs)	203.85	226.87
Average Rate Rs. /KG	7.00	6.90

2. Consumption per unit of production

Pyridine & Cyanopyridines		
Electricity	3,968	3,936
Coal (Units/MT)	6063	2500
HSD (Liters/MT)	58	24

Form B for Disclosure of Particulars With Respect To Technology Absorption

(A) RESEARCH AND DEVELOPMENT

I. Specific areas in which R & D carried out by the company.

- Development of New catalyst for Lutidine and Collidine reactions.
- Development of Manufacturing process for 2, 3- Lutidine.
- Development of process for mono sodium DPA.
- Development of process for 2-chloro-3-cyanopyridine.

- Process optimization for the oxidation of Picoline and Lutidines.
- Process Optimization for catalytic reaction of fluidized bed and fixed bed reactors.

II. Benefits derived as a result of above.

- Cost Reduction
- Better efficiency in product formation/process development
- Newer products/process development

III. Future Plan of Action.

- Development of distillation skill to improve time cycle, efficiency & yield
- Further improvising effluent treatment plant and zero sample failing.
- Reduce cost of steam and power.
- Zero beakdown in production due to raw material or machinery; proper preventive schedule is set to re-engine the amchinery to increase its working lite and wherrver required changes in system is to be made. The budget for the same has also been fixed.
- To maintain the practice of keeping pace with the statutory compliance.

IV. Expenses on R & D

- Capital Rs. NIL lakhs
- Recurring Rs. 90.23 lakhs
Total R & D Expenditure as a percentage of the total turnover is 2.17% (P.Y. 2.60%)

(B) TECHNOLOGY ABSORPTION / ADOPTION AND INNOVATION.

- Efforts in brief made towards technology absorption/ adoption: On-going Technology was entirely developed in-house.
- Benefits derived as a result of the above efforts: Improvement in cost effectiveness, in terms of usage of raw materials and energy efficiency in commercial production while being competitive.

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
a)	b)	c)	d)	e)	f)	g)	h)
NA	NA	NA	NA	NA	NA	NA	NA

2. Details of material contracts or arrangements or transactions at Arm's length basis.

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:		Justification for entering into such contracts or arrangements or transactions'	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
			Salient terms of the contracts or arrangements or transactions	Value (In Rs.)				
Avignon Exim Pvt. Ltd.	Sale and purchase of goods/ Conversion of Goods	12 Months	As per terms and conditions agreed in Agreement between the both Company	37,71,073.00	The said transactions are entered in normal course of business and at normal acceptable terms in market and in the best interest of the Company.	30.05.2018	Nil	14-08-2018
Vista Organics Pvt. Ltd.	Sale and purchase of goods/ Conversion of Goods	12 Months	As per terms and conditions agreed in Agreement between the both Company	5,85,07,451.00		30.05.2018	Nil	14-08-2018
Vista Finance & Leasing Pvt. Ltd.	Leasing of Property	12 Months	As per terms and conditions agreed in Agreement between the both Company	9,00,000.00		30.05.2018	Nil	14-08-2018

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:		Justification for entering into such contracts or arrangements or transactions'	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
Avignon Chemicals Pvt. Ltd.	Leasing of Property	12 Months	As per terms and conditions agreed in Agreement between the both Company	9,00,000.00		30.05.2018	Nil	14-08-2018
Ushma Investments Pvt. Ltd.	Leasing of Property	12 Months	As per terms and conditions agreed in Agreement between the both Company	9,00,000.00		30.05.2018	Nil	14-08-2018

For and on behalf of Board of Directors

DR. A. B. Gupta
Managing Director
DIN: 00025255

Ms. Archana Yadav
Director
DIN: 07335198

Place: Mumbai
Date : 29th May, 2019

**ANNEXURE "A" TO THE BOARD'S REPORT
FORM MGT 9**

EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON 31.03.2019

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

I. Registration and other Details –

CIN	L25209MH1989PLC051993
Registration Date	01/06/1989
Name of the Company	Resonance Specialties Limited
Category / Sub-Category of the Company	Public Company / Limited by shares
Address of the Registered Office and contact details	301, Evershine Mall, Chincholi Bunder Junction, off. Malad Link Road, Malad (W), Mumbai – 400064 Telephone: +91 (22) 4217 2222 Email id: info@resonancesl.com Website: www.resonancesl.com
Whether listed Company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	M/s. Adroit Corporate Services Pvt. Ltd. Address: 17/18/19/20, Jaferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri East-59 Tel No: +91 (22) 4227 0400 Email Id:sales@adroitcorporate.com Website: www.adroitcorporate.com

II. Principal Business Activities of the Company

All the 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	Pyridines & its Derivatives	29333918 & 29333990	100%

III. Particulars of Holding, Subsidiary and Associate Companies

The Company has no holding, subsidiary or associate company.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup a percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the end of the year {As on 31st March, 2018}				No. of Shares held at the end of the year {As on 31st March, 2019}				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	64902	100	65002	0.56	65002	-	65002	0.56	0
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	7405900	-	7405900	64.15	7405900	-	7405900	64.15	0
e) Bank/ FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)	7470802	100	7470902	64.72	7470902	0	7470902	64.72	0
(2) Foreign	-	-	-	-	-	-	-	-	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	0	3300	3300	0.03	0	3300	3300	0.03	0
b) Bank/ FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the end of the year {As on 31st March, 2018}				No. of Shares held at the end of the year {As on 31st March, 2019}				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	0	5000	5000	0.04	0	5000	5000	0.04	0
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	0	8300	8300	0.07	0	8300	8300	0.07	0
2. Non- Institutions									
a) Bodies Corp.	304984	6825	311809	2.70	206110	6825	212935	1.84	(0.86)
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	1989829	1062249	3052078	26.44	2038961	1039149	3078110	26.66	0.22
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh	588266	20100	608366	5.27	656661	20100	676761	5.86	0.59
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	78141	400	78541	0.68	81922	400	82322	0.71	0.03
Clearing Members	3144	-	3144	0.03	8870	0	8870	0.08	0.05
Corporate Body - Broker	10860	-	10860	0.09	5800	0	5800	0.05	(0.04)
Trusts (2014) Qualified Foreign Investor (2015)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2):-	2975224	1089574	4064798	35.21	2998324	1066474	4064798	35.21	0
Total Public Shareholding (B)=(B) (1)+(B)(2)	2975224	1097874	4073098	35.28	2998324	1074774	4073098	35.28	0
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	10446026	1097974	11544000	100	10469226	1074774	11544000	100	0

The shareholding of Promoters listed above is pursuant to Regulation 31 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and submitted to the Stock Exchanges as on 31st March, 2019

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year {As on 01st April, 2018}			Shareholding at the end of the year {As on 31st March, 2019}			% change in shareholding 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	Alok Gupta	41800	0.36	-	41800	0.36	-	-
2	Anoop Gupta	23200	0.20	-	23200	0.20	-	-
3	Atma Bandhu Gupta	1	0.00	-	1	0.00	-	-
4	Avignon Chemical Pvt Ltd	146600	1.27	-	146600	1.27	-	-
5	Usha Gupta	1	0.00	-	1	0.00	-	-
6	Ushma Investment Pvt. Ltd.	3295200	28.55	-	3295200	28.55	-	-
7	Vista Finance & Leasing Pvt. Ltd.	3964100	34.34	-	3964100	34.34	-	-
	Total	7470902	64.72	-	7470902	64.72	-	-

(iii) Change in Promoters' Shareholding:-

Particulars	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
At the beginning of the year				
Date wise Increase / decrease in promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	There is no change in promoter holding.			
At the end of the year				

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

Sr. No.	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	Subramanian P	202390	1.75	202390	1.75
2	Prashant Hansraj Thaman	101585	0.88	101585	0.88
3	Mantra Magic Enterprises Pvt Ltd	99600	0.86	99600	0.86
4	Ajay Anantrai Patadia	70459	0.61	70459	0.61
5	Anuj Shah	55260	0.48	55260	0.48
6	Deepak Kalyanji Bheda	0	0	42483	0.37
7	Girdharilal Seksaria	38506	0.33	38506	0.33
8	Radhey Shyam Mittal (HUF)	0	0	34000	0.29
9	Kishan Lal Mittal	32875	0.28	33875	0.29
10	Aditya Mittal	33000	0.29	33000	0.29

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	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	Dr. A. B. Gupta	1	0	1	0
2	Mr. B.P. Agrawal	NIL	0	NIL	0
3	Mr. L. R. Daga ^{1*}	NIL	0	NIL	0
4	Dr. Yaqoob Ali	NIL	0	NIL	0
5	Mr. Satish Chander Mathur ^{2*}	25	0	25	0
6	Ms. Shital Churi ^{3*}	25	0	25	0
7	Mr. Dwarika Agrawal ^{4*}	1	0	1	0
8	Mr. Sagar Lambole ^{5*}	NIL	0	NIL	0
9	Ms. Minal Bhosle ^{6*}	5	0	5	0
10	Ms. Priyanka Shah ^{7*}	NIL	0	NIL	0

1* Mr. L. R. Daga has resigned from the Board w.e.f. 18th March, 2019

2* Mr. Satish Chander Mathur has been resigned as Whole-Time Director w.e.f. 14.11.2018

3* Ms. Shital Churi has resigned as CFO w.e.f. 14.08.2018

4* Mr. Dwarika Agrawal has appointed as CFO w.e.f. 14.08.2018

5* Mr. Sagar Lambole has appointed as CS w.e.f. 14.02.2019

6* Ms. Minal Bhosle has resigned as CS w.e.f. 14.08.2018

7* Ms. Priyanka Shah was appointed as CS w.e.f. 11.10.2018 and resigned w.e.f. 31.01.2019

(V) INDEBTEDNESS:

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,40,39,218	-	-	3,40,39,218
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3,40,39,218	-	-	3,40,39,218
Change in Indebtedness during the financial year	-	-	-	-

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
• Addition	-	-	-	-
• Reduction	3,39,19,302	-	-	3,39,19,302
Net Change	3,39,19,302	-	-	3,39,19,302
Indebtedness at the end of the financial year				
i) Principal Amount	1,19,916	-	-	1,19,916
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,19,916	-	-	1,19,916

(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i) Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in Rupees)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total
		Dr. A. B. Gupta (Managing Director)	Mr. Satish Chander Mathur (resigned on 14.11.2018)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	46,86,402		46,86,402
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	- as % of profit			
	- Others, specify Consultancy charges		11,47,500	11,47,500
5	Others, please specify (PF contribution)			
	Total (A)			58,33,902
	Ceiling as per the Schedule V of the Companies, Act, 2013			

Note: the remuneration are within the limit prescribed by schedule V of the companies Act, 2013

(ii) Remuneration to other directors:

(Amount in Rupees)

Particulars of Remuneration	Name of Directors				Total
	Mr. L. R. Daga	Mr. B. P. Agrawal	Ms. Archana Yadav	Dr. Yaqoob Ali	
Fee for attending Board/ Committee	2,00,002	1,69,446	1,77,780	1,33,335	6,80,563
Commission					
Professional Fee	33,750	1,85,000	0	4,32,000	6,50,750
Total	2,33,752	3,54,446	1,77,780	5,65,335	13,31,313

(iii) Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Amount in Rupees)

Sr. No.	Particulars of Remuneration	Name of KMP					Total
		Ms. Shital Churi (resigned on 14.08.2018)	Mr. Dwarka Agrawal (appointed on 14.08.2018)	Ms. Minal Bhosale (resigned on 14.08.2018)	Ms. Priyanka Shah (appointed on 11.10.2018 & resigned on 31.01.2019)	Mr. Sagar Lambole (appointed on 14.02.2019)	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,28,389	9,42,280	1,58,548	52,183	74,799	13,56,199
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961						
2	Stock Option						
3	Sweat Equity						

Sr. No.	Particulars of Remuneration	Name of KMP					Total
		Ms. Shital Churi (resigned on 14.08.2018)	Mr. Dwarika Agrawal (appointed on 14.08.2018)	Ms. Minal Bhosale (resigned on 14.08.2018)	Ms. Priyanka Shah (appointed on 11.10.2018 & resigned on 31.01.2019)	Mr. Sagar Lambole (appointed on 14.02.2019)	
4	Commission						
	- as % of profit						
	- Others, specify...						
5	Others, please specify						
	Total	1,28,389	9,42,280	1,58,548	52,183	74,799	13,56,199

(VII) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

The company has paid the penalty of Rs.2,360/- for delay filing of Regulation 13(3) of SEBI (LODR), 2015 for the 3rd quarter ended on 31.12.2008.

ANNEXURE "B" TO THE BOARD'S REPORT**Form No. MR-3**

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED March 31, 2019**

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

To,
The Members,
RESONANCE SPECIALTIES LIMITED
Mumbai

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Resonance Specialties Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Resonance Specialties Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2019, generally 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in Annexure I, for the financial year ended on March 31, 2019.
2. According to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder & Securities and Exchange Board of India (Depositories and Participant) Regulations 2018;
- (iv) 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 (Share Based Employee Regulation 2014);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; to the extent applicable,
 - (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) Other Laws applicable to the Company;
 - i. The Factory Act, 1948
 - ii. Acts Prescribed under Prevention and Control of pollution
 - iii. Acts prescribed under Environment Protection
 - iv. Industrial Disputes Act, 1947
 - v. The Payment of Wages Act, 1936
 - vi. The Minimum Wages Act, 1948
 - vii. Employee State Insurance Act, 1948
 - viii. The Employee Provident Fund and Miscellaneous Provisions Act, 1952
 - ix. The Payment of Gratuity Act, 1972

2. We have relied on the representations made by the Company and its Officers and report of the Internal Auditors for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company of which adequate documents were not made available for verification to comment on their compliance status.

3. We 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 Agreement entered into by the Company with the Stock Exchange(s) from time to time and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that,

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has not made:

- i. Public/Right/Preferential issue of shares / debentures/ sweat equity, etc.
- ii. Redemption / buy-back of securities.
- iii. Merger / amalgamation / reconstruction, etc.
- iv. Foreign technical collaborations.

**For Alok Khairwar & Associates
Company Secretaries**

(CS. Alok Khairwar)
Proprietor
M. No: 10031
C.P.No:12880
Place: Mumbai
Date: May 29, 2019

**ANNEXURE - 1
To the Secretarial Audit Report**

List of documents verified:

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March, 2018.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, and Stakeholders' Relationship Committee, along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. Statutory Registers viz. - Register of Directors' & KMP. - Register of Directors' Shareholding. - Register of Employee Stock Options. - Register of loans, guarantees and security and acquisition made by the Company. - Register of Renewed and Duplicate Share Certificate. - Register of Charge. - Register of Related Party Transaction. - Register of Members.
6. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013.
8. Intimations received from directors under the Prohibition of Insider Trading Code.
9. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the financial year under report.
10. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year under report.

**For Alok Khairwar & Associates
Company Secretaries**

(CS. Alok Khairwar)
Proprietor
M. No: 10031
C.P.No:12880
Place: Mumbai
Date: May 29, 2019

ANNEXURE - 2
To the Secretarial Audit Report

To,
The Members,
RESONANCE SPECIALTIES LIMITED
MUMBAI

Our report of even date is to be read along with this letter,

- 1) Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.

- 4) Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

For Alok Khairwar & Associates
Company Secretaries

(CS. Alok Khairwar)
Proprietor
M. No: 10031
C.P.No:12880
Place: Mumbai
Date: May 29, 2019

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INTRODUCTION

Being in an industry which is a part of integrated global specialty chemicals, the company enjoys a special pride and privilege. Specialty chemicals are based on Pyridine chemistry, such as Lutidine, Cyano pyridines, Picoline, Collidines, Nutritional product, feed supplements, API, and vitamins etc. at their G.M.P. plant. Posing a backward integration, we have upper hand over other global companies for most of our products.

Our pride words is quality of product, dependable supply and competitive cost.

INDUSTRY STRUCTURE AND DEVELOPMENT

The specialty chemicals we manufacture have a varied application in the field of Pharmaceuticals, agricultural, sector industries. The pharmaceuticals industries globally are likely to grow 6.3 %. Due to implementation of various reforms, the economy of India is growing a strong pace, and India's pharmaceuticals industries have a special status in global market.

The company is engaged in vital intermediates for pharmaceuticals Industries hence company's performance will be improving further in coming years. Being a part of sustainable Industry, our company has accelerated its research and development activity to enable us to grab the opportunity at the appropriate time.

The growth of Specialty chemicals industry was very slow in near past with a low margin of profit. Specialty chemicals are the product which needs performance; there can be single entity or composition of more products. The industry requires deep knowledge and innovation.

BUSINESS STRATEGY

To grow in industry the strategy is to work hard in established field of manufacturing. The company's business have three sectors:-

1. Active Pharmaceutical Ingredient (A.P.I.)

2. Nutritional and Feed supplements and
3. Intermediates for A.P.I., Agriculture, Nutritional and feed industry.

Our business module is export oriented, although we have many local valued customers. Our core business strategy is our positioning as an integrated Product Development Resonance has proven capabilities in integrated product development. We have successfully researched test batches at the laboratory, at our pilot plant and finally on commercial scales at our factory. Our knowledge of organic chemistry and our expertise in catalysis are key strengths that have stood by us through time.

- Client Relationship – We have strong and established business relationship with our clients across Pharmaceuticals, Agrochemicals and Specialty Ingredients industries.

Our manufacturing facilities adhere to GMP and are ISO 9000:2001 certified. Our products are Kosher, Halal, FSSC certified.

In addition, our manufacturing facility have undergone successful audit and got approved by USFDA

OPPORTUNITIES AND THREATS

In the case of some of the value added products of the Company there are only few competitors in the world but the demand for product is limited. The Company is making all the efforts to develop new applications of its products and is confident of substantially expanding the market in near future. Nutraceuticals market is growing rapidly worldwide and in particular within India and other third world countries.

During the year the Company has experienced large fluctuations in foreign exchange rates and import prices. However, due to, total backward integration and limited imports, Company did not face any major setback in the performance. Further inbuilt flexibility in the plant helped in changing product mix to face the challenges due to adverse market situation during the year.

MANUFACTURING

We provide opportunity to our young team to develop themselves in the different areas of production through their expertise. Along with the grooming in-house talent the company has availed the services of outside experts in the field of reaction and distillation to give the mentoring support to the executives and heads of the production department. Working forward the on the enduring ideas of previous year and identifying new initiatives throughout the year in capacity enhancements, capability improvements, yield, costs, production efficiencies & Environment, Health and Safety (EHS), manufacturing has played crucial role in contributing to the growth of the organisation in the market. The Company worked on semi-continuous column and continuous column and trail are taken for one of product for better separation at semi continuous column. Work is ongoing, positive results are achieved. Upgradation of the amoxidation unit has benefited the company largely and it enabled the company to commission the reaction at improved conversion. Though the targeted yield is still to achieve and efforts to reach the level is certain. Productivity improvement tools and techniques have been implemented. We also modified the regenerator for fluidized bed reaction and our production yield in reaction also improved due to improvised process and catalyst, while in distillation further lot of work is planned to be done. Other preventive course of action was taken to evade corrosion or erosion. EHS (Environment Health and Safety): we have upgraded our E.T.P (Effluent Treatment Plant) system and also installed M.E.E (Multi effect evaporator) and commissioned. The Company aims to become a Zero discharge unit; although it is not required by any regulatory body but we are performing the course of action voluntarily to nullify the liquid discharge from plant, to become a responsible corporate citizen, as pollution is major problem across Tarapur and individual has to take action / initiatives to be ecofriendly to have a sustainable growth in the Industry. As a principle, we go beyond mere compliance and assimilate health, safety and environment consciousness as part of our daily regimen.

In conjunction with this, we are also working on full recovery of some of the secondary / by-products which can be recycled in the production process or can be sold in the open market to make optimum usage of the resources. Water hydrant system is also revamped. Air monitoring of area is also carried out periodically Safety committee is active and it comprises of EHS members, HR Manager, Engineering Department head along with 3-4 floor level staff. Health camp organised and all employees health checkup is done by doctors' team.

All safety and personal protective apparels are provided to the employees working in the related field in order to ensure their life security and surety. Regular safety training is provided to all employees as well as external professional expert was hired to empower the employees to work with managers to create easy-to-understand safety procedures and protocols. Encourage people to think first, act second, and consider safety protocols as not just a rote function, but an essential fact of daily practice that will ensure to save their lives.

PROJECTS

1. Installation of Semi continuous column for some mixtures were bought for separation of each component with best purity and yield and it also reduced time cycle.
2. Our Pilot plant capacities is enhanced and is under operation.
3. In R & D new fixed bed-fluidized and reactor is installed with latest automatic technology to monitor and record the reaction.

RESEARCH & DEVELOPMENT

The company takes pride in innovation and excellence in devolving the different plant process for Reaction and Distillation. Company's R & D work in the field of catalyst for fluidized bed and fixed bed reactions for Ammoxidation of Picoline and also for Lutidine and Collidines is of a great pride.

The research and development center of company is recognized by Department Of Scientific and Industrial Research, Govt. Of India and Management is making considerable expenses to undertake major R & D projects to develop alternate and efficient process for making pyridine based products. The R & D center is having collaboration with emeritus scientist from reputed research laboratories in India. Development of continuous distillation system shall certainly prove a trend through to the production of different products from their crudes. Company is continued to conduct R & D work related to:

1. Development of improved version / new catalyst for the better yield and quality.
2. Improvement in process of value added products to reduce cost and increase productivity
3. Development of New products and esters of different acids,
4. Distillation technique development.

FUTURE PROSPECT

- Development of distillation skill to improve time cycle, efficiency & yield
- Further improvising effluent treatment plant and zero sample failing.
- Reduce cost of steam and power.
- Zero breakdown in production due to raw material or machinery; proper preventive schedule is set to re-engine the machinery to increase its working life and wherever required changes in system is to be made The budget for the same is also been fixed.
- To maintain the practice of keeping pace with the statutory compliance.

HUMAN RESOURCE MANAGEMENT

At Resonance, we believe that our success is the end results of the achievement of our team. Our performance metrics are clearly defined and for real achievers we offer an accelerated career growth unhindered by any hierarchy. Resonance offers a merit led environment where talent is respected and achievements are rewarded. Our flat management structure allows genuine appreciation of good work and we believe in delegating responsibilities.

We continually empower our team members to better themselves and offer clear career paths for advancement. The Company takes extreme pride in its greatest resource and asset - the employees. Our constant endeavors have been towards encouraging a culture of employee recognition & motivation and we are able to achieve this through are well designed policies & processes like Rewards & Recognition and other various employee benefit schemes. We also believe that the young talent has out of the box creativity and we nurture them to have

become a proficient leader. We ensure that there is full adherence to the code of business conduct and fair business practices.

INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT STRATEGY

Risk-taking is an inherent trait of any enterprise. It is essential for growth or creation of value in a Company. At the same time, it is important that the risks are properly managed and controlled, so that the Company can achieve its objectives effectively and efficiently. Accordingly the Risk management Policy is laid down and the proper implementation is ensured by the company.

INTERNAL FINANCIAL CONTROL FRAMEWORK

Section 134(5)(e) of the Companies Act, 2013 requires a company to lay down Internal Financial Controls system (IFC) and to ensure that these are adequate and operating effectively. Internal financial controls, here, means the policy and procedure adopted by the company 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.

The above requirement has the following elements:

1. Orderly and efficient conduct of business.
2. Safeguarding of its assets.
3. Adherence to company's policies.
4. Prevention and detection of frauds and errors.
5. Accuracy and completeness of the accounting records and timely preparation of reliable financial information.

At Resonance Specialties Limited, the internal financial controls system is in place and incorporates all the five elements as mentioned above. In addition, the Company has a transparent framework for periodic evaluation of the internal financial controls in the form of internal audit exercise carried out through the year and online controls self-assessment through Controls Manager Software, thereby reinforcing the commitment to adopt best corporate governance practices.

CORPORATE GOVERNANCE REPORT

[Pursuant to Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Enhancing stakeholders' value is the core philosophy of the Company. Corporate Governance is all about conducting business in a fair and transparent manner and the Company will continue to focus on its resources, strengths and strategies for creation and safeguarding of shareholders' wealth and interests.

The imperative to continue to develop and implement best practices throughout our corporate governance structure is fundamental to our strategy to enhance performance by creating an environment that increases operational efficiency and ensures long-term productivity and growth. The Company is committed to fair and ethical business practices with transparency, accountability for performance, compliance with applicable laws and timely disclosure of reliable information. The Company implemented the norms of governance as provided in Chapter IV and Schedule II of the Securities and Exchange Board of

CAUTION

The statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations may be 'Forward looking statements' within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference of the Company's operations include economic demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws, other statutes and incidental factor.

FINANCIAL SUMMARY

(Amount in Rs.)

	As on 31.03.2019	As on 31.03.2018	% Change
Net sales/ income from operations	416,294,139	359,607,348	16
Other income	13,917,348	11,078,722	26
Total income	430,211,487	370,686,070	16
Total expenditure	381,777,614	370,086,754	3
Profit/Loss before tax	47,584,167	(3,38,391)	
Provision for			
-Current tax	13,942,559	(2,50,000)	
-Deferred tax	1,595,420	7,769,670	-79
Total	15,537,979	7,519,670	107
Profit/Loss after tax	32,046,188	7,681,278	517

For & on behalf of the board of Directors

Dr. A. B. Gupta
Managing Director
(DIN: 00025255)

Ms. Archana Yadav
Director
(DIN: 07335198)

Place: Mumbai
Date : 29th May, 2019

India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. BOARD OF DIRECTORS:

The Board of Directors has combination of Executive and Non-Executive Directors and is in conformity with the provisions of Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations which inter alia stipulates that the Board should have an optimum combination of Executive and Non-executive Directors with at least one Woman Director and not less than one third of the Board directors shall comprise of Independent Directors, if the Chairman of the Board is a Non-Executive Director. The Board of Directors as on 31.03.2019 consists of 4 Directors, comprising of 3 Non-Executive Directors and 1 Executive Director which is more particularly shown as under:

Name	DIN	Category	No. of Board Meetings		Attendance at the last AGM	No. of directorships in other Co.		Chairmanships / memberships in other Companies	
			Held	attended		Pvt.	Public	Chairman ships	Memberships
Dr. A. B. Gupta	00025255	MD/ Promoter	4	4	Yes	0	0	0	0
Mr. B. P. Agrawal ^{1*}	02724594	Non-Executive - Non Independent Director	4	4	Yes	0	0	0	0
Ms. Archana S. Yadav	07335198	Non-Executive, Independent Director	4	4	Yes	0	0	0	0
Mr. Yaqoob Ali	07655705	Non-Executive, Independent Director	4	2	Yes	0	0	0	0
Mr. Laxmi Ratan Daga ^{2*}	05211735	Non-Executive, Independent Director	4	4	Yes	0	0	0	0
Mr. Satish Chander Mathur [#]	02847887	Whole-time Director	4	3	Yes	5	0	0	0

1* Mr. B. P. Agrawal (DIN: 02724594) Non-Executive – Non-Independent Director who retires by rotation and being eligible has offered himself for re-appointment.

2* Mr. L. R. Daga was resigned w.e.f. 18th March, 2019.

#* Mr. Satish Chander Mathur was resigned w.e.f. 14.11.2018.

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2019 have been made by the Directors.

Details of equity shares of the Company held by the Directors as on March 31, 2019 are given below:

Name	Category	Number of equity shares
Dr. A. B. Gupta	Managing Director	1

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Global Business	Understanding, of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

The Board periodically reviews the compliance reports of all laws applicable to the Company.

2. No. of Board Meetings and Attendance:

4 (Four) Board Meetings were held during the Financial Year 2018-19 on the dates, such as 30.05.2018, 14.08.2018, 14.11.2018 and 14.02.2019, and the maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days.

All the Directors possess the requisite qualifications and experience in general corporate management, finance, banking,

insurance and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company. Except for Dr. Atma Bandhu Gupta, the other Directors of the Company are not related to each other and the Company. Convertible instruments are not held by any of the Directors:

Web link where details of familiarisation programmes imparted to Independent Directors: The details of the programmes conducted by the Company are posted on the Company's website under the web link http://www.resonancesl.com/i_reports.html OR <http://www.resonancesl.com/policies.html>

3. Audit Committee:

The Company has constituted a qualified and independent Audit Committee which acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The Committee possesses accounting and financial management knowledge and is responsible for overseeing the Company's financial reporting process by providing direction to audit function and monitoring the scope and quality of internal and statutory audits.

Consequently after the resignation of Mr. L. R. Daga, Independent Director and Chairman of the Committee of the Company w.e.f. March 18, 2019, the Audit Committee comprised of only 2 (two) members, namely, Mrs. Archana Yadav and Mr. B. P. Agrawal as on March 31, 2019. The Audit Committee met 4 (Four) times during the year, such as 30.05.2018, 14.08.2018, 14.11.2018 and 14.02.2019. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days. The minutes of the meetings of the Audit Committee are noted by the Board.

The Audit committee of the Board of directors was constituted in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015.

(a) Brief description of terms of reference:

The role of the Audit Committee is as prescribed under the Act and SEBI (LODR) Regulations, 2015 and includes the following:

- i. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- ii. Recommendation of appointment etc., of the statutory auditors and their fee for audit and other services;
- iii. Examination and review of annual financial statements/ audit report with particular reference to directors' responsibility statement, changes in accounting policies, major accounting entries estimates, disclosure of related party transactions, qualifications in the draft audit report, etc.;
- iv. Discussions with internal auditors on significant findings and with Statutory Auditors on the nature and scope of audit and on areas of concern;
- v. Review of quarterly financial statements, uses and application of funds raised, performance of statutory and internal auditors, adequacy of internal control system and internal audit function;
- vi. Review of management discussion and analysis report on financial condition and results of operations, significant related party transactions, internal control weaknesses reported by the statutory auditors and internal auditors and the appointment and remuneration of internal auditors;
- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Evaluation of internal financial controls and risk management systems; and
- xi. Review of the functioning of the Whistle Blower mechanism.

(b) Composition:

The composition of the Audit committee and the details of meetings attended by its members are given below:

Name of the Member	Category of Director	Position	No. of Meetings held	No. of Meetings attended	Sitting fees paid (in Rs.)
Mr. L. R. Daga *	Independent	Chairman	4	4	22,223
Ms. Archana Yadav	Independent	Member	4	4	22,223
Mr. B. P. Agrawal	Non-Executive	Member	4	4	19,445

* Mr. L. R. Daga was resigned w.e.f. 18th March, 2019.

(c) Meetings and attendance:

During the year, 4 (four) meetings of the Committee were held on the dates, such as 30.05.2018, 14.08.2018, 14.11.2018 and 14.02.2019. All members attended all the meetings. The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 14.08.2018 to answer the members' queries.

4. Nomination and Remuneration Committee:

The Nomination and Remuneration committee of the Board of Directors was constituted in conformity with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015 and its role has been the same as stipulated in the Act and the Regulations mentioned above.

(a) Brief description of terms of reference:

The functioning and terms of reference of the Nomination and Remuneration committee are as prescribed under the erstwhile listing agreement and SEBI (LODR) Regulations, 2015. It determines the Company's policy on all elements of the remuneration packages of the directors including the executive directors. The role of the committee includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board of Directors a policy relating to the remuneration of the directors, Key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of Independent directors and the Board of directors;
3. Devising a policy on diversity of Board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board of directors for their appointment and removal.
5. Evaluation of every director's performance.

The Committee met 4 (four) times during the financial year i.e. on 30.05.2018, 14.08.2018, 14.11.2018 and 14.02.2019. The Minutes of the Nomination and Remuneration Committee Meetings are noted by the Board. The details of the composition of the Committee, meetings held, attendance at the meetings along with sitting fees paid, are given in Table below:

Name of the Member	Category	Position	No. of Meetings held	No. of Meetings attended	Sitting fees paid (in Rs.)
Ms. Archana Yadav	Independent Director	Chairman	4	4	22,223
Mr. L. R. Daga *	Independent Director	Member	4	4	22,223
Mr. Yaqoob Ali	Independent Director	Member	4	2	11,112

* Mr. L. R. Daga was resigned w.e.f 18th March, 2019.

(d) Performance evaluation criteria for Independent directors:

Independent directors have three key roles – governance, control and guidance. Some of the performance indicators, based on which the Independent directors are evaluated, are:

- Contribution to and monitoring Corporate Governance practices.
- Ability to contribute to address top management issues.
- Active participation in long term strategic planning.

- Commitment to the fulfillment of obligations and responsibilities.

The performance evaluation of independent or non-executive members is done by the Board annually based on criteria of attendance and contributions at Board/Committee meetings and also the role played by them other than at meetings.

(e) Criteria formulated by Nomination and Remuneration committee for evaluation of Board committees and individual directors:

In line with corporate governance guidelines, evaluation of all Board members is done on an annual basis. This evaluation is done by the entire Board led by the Chairman of the Board with specific focus on the performance and effective functioning of the Board, committees of the Board and individual directors and reported to the Board. The evaluation process also considers the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise. The entire Board of directors (excluding the director being evaluated) held the performance evaluation of Independent directors and on the basis of performance evaluation, the Board decided to continue the term of appointment of Independent directors. Performance evaluation was done by the respective bodies on 14th February, 2019

5. Remuneration of Directors:

The Company's remuneration policy for directors, key managerial personnel and other employees is hosted on the website of the company. Further, the Company has adopted specific criteria for performance evaluation of Independent directors, Board, Committees and other individual directors.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

(a) All pecuniary relationship or transactions of the non-executive directors:

The Board, at its meeting held on 30th May, 2018 and Annual General Meeting on 14th August, 2018 approved payment of remuneration/ commission to the Managing Director for a period of 3 years commencing from 1st September, 2018 to 31st August, 2021. The re-appointment of the Managing Director is proposed from 1st September 2018 to 31st August, 2021 which is approved by board and by the members at the 29th Annual General Meeting. Remuneration is paid to Dr. A. B. Gupta, Managing Director, as per the limits prescribed under Schedule V of the Companies Act, 2013, pursuant to the approval of the Nomination and Remuneration Committee and the Board of Directors and as per the approval of the members of the Company.

(b) Criteria of making payments to non-executive directors:

Keeping in view the size, scale and complexity of the Company's operations and the level of involvement of the non-executive directors in the supervision and control of the Company, their guidance for the growth of the Company as Members of the Board and also as Chairman or Members of the relevant Committees of the Board has proved to be of immense support.

(c) Disclosures with respect to remuneration in addition to disclosures required under the Companies Act, 2013:

- (i) All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, pension, etc. for the FY 2018-19:

Name	Salary, PF Perquisites & other allowances (In Rs.)	Commission (In Rs.)	Sitting fees*Board & Committee (In Rs.)	Others (In Rs.)	Total (In Rs.)	Shareholding (No. of Shares)
Dr. A. B. Gupta	46,86,402	-	-	-	46,86,402	1
Mr. B. P. Agrawal	-	-	1,69,446	*1,85,000	3,54,446	0
Mr. L. R. Daga	-	-	2,00,002	*33,750	-	0
Ms. Archana Yadav	-	-	1,77,780	-	-	0
Mr. Yaqoob Ali	-	-	1,33,335	*4,32,000	-	0
Mr. Satish Chander Mathur	-	-	-	11,47,500	-	25

Note :- Mr. Satish Chander Mathur was resigned w.e.f. 14.11.2018 and Mr. L. R. Daga was resigned w.e.f. 18th March, 2019.

* Consultancy Fees by the relative or by the firm in which he/she is interested.

Note:

1. The Company has never given the stock options and hence no outstanding stock options are held by any of the Directors.
2. The service contract details and the notice periods had been mentioned in the agreement entered with the Managing Director and Whole-time Director.

6. Stakeholders' Relationship Committee:

This Committee comprised of the three Directors namely Mr. B. P. Agrawal (Chairman), Non-Executive Director, Dr. Yaqoob Ali, Independent Director and Dr. A. B. Gupta, Managing Director. The Company Secretary is the Compliance Officer of

the Company.

The Minutes of the Stakeholders Relationship Committee Meetings are noted by the Board. The details of the composition of the Committee, meetings held, attendance at the meetings along with sitting fees paid, are given in Table below:

The committee stands as follows as on 31.03.2019:

Name of the Member	Category	Position	No. of meetings held	No. of meetings attended	Sitting fees paid (in Rs.)
Mr. B. P. Agrawal	Non-Executive Director	Chairman	4	4	22,223
Dr. Yaqoob Ali	Independent Director	Member	4	2	11,112
Dr. A. B. Gupta	Managing Director	Member	4	4	-

The Company has designated an e-mail id investors@resonancesl.com.

[com](mailto:investors@resonancesl.com) exclusively for the purpose of registering complaints by investors electronically. This e-mail id is displayed on the company's website i.e. www.resonancesl.com.

The Company has appointed Mr. Sagar Lambole, Company Secretary as Compliance Officer, who was appointed by the Board in the Board Meeting dated 14.02.2019.

During the financial year 2018-19, queries/complaints were received by the Company from members/investors/ authorities, majority of which have been redressed / resolved to date, satisfactorily as shown in table below:

Nature of Queries/ Complaints	Pending as on April 1, 2018	Received during the year	Redressed during the year	Pending as on March 31, 2019
1. Transfer / Transmission / Issue of Duplicate Share Certificates	0	57	57	0
2. Non-receipt of Dividend	0	0	0	0
3. Dematerialisation / Dematerialisation of Shares	0	154	154	0
4. Complaints received from:	0	0	0	0
a. Securities and Exchange Board of India				
b. Stock Exchange(s) / NSDL / CDSL	0	0	0	0
c. Registrar of Companies / Ministry of Corporate Affairs / Others	0	0	0	0
d. Advocates	0	0	0	0
e. Consumer Forum/Court Case	0	0	0	0
5. Others	0	0	0	0
Grand Total	0	211	211	0

7. Code of Conduct

Your Company has adopted a revised Code of Conduct for members of the Board and the Senior Management personnel. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company. Your Company has received confirmations from all concerned regarding their adherence to the said Code. Pursuant to the SEBI Listing Regulations, MD of the Company confirmed compliance with the Code by all members of the Board and the Senior Management Personnel. The Code has been hosted on the Company's website under the web link <http://www.resonancesl.com/policies.html>.

8. General Body Meetings:

The last three years AGM along with special resolutions passed thereat:

Financial Year	Day, Date & Time	Venue	Particulars of special resolution passed
2015-2016 27th AGM	Saturday, 13th August, 2016, 11.00 A.M.	Raheja Classique Club, Andheri (West), Mumbai -58	1. Approval for entering into Related Party Transactions by the Company
2016-2017 28th AGM	Thursday, 14th September, 2017, 11.00 A.M.	Raheja Classique Club, Andheri (West), Mumbai -58	1. Approval for entering into Related Party Transactions by the Company
2017-2018 29th AGM	Tuesday, 14th August, 2018, 11.00 A.M.	Raheja Classique Club, Andheri (West), Mumbai -58	1. Re-appointment of Dr. A. B. Gupta (DIN: 00025255) as the Managing Director of the Company for a period of 3 (three) years. 2. Approval for entering into Related Party Transactions by the Company.

No resolutions are proposed to be conducted through postal ballot in the Above AGM.

Procedure for postal ballot: The procedure for postal ballot will be as per Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014.

9. Means of Communication:

- (a) Quarterly results: The quarterly, half-yearly and annual results of the Company were normally published by the Company in the newspapers. Annual reports with audited financial statements are sent to the shareholders through electronic/ physical mode.
- (b) Newspapers wherein results normally published: The results are normally published by the Company in the newspapers (Business Standard) in English version, circulating in the whole of India and in regional newspaper (Jantecha Mahanayak or Mumbai Mitra) in the vernacular language.
- (c) Any website, where displayed: The results are also displayed on the Company's website: www.resonancesl.com.
- (d) Whether it also displays official news releases: The newsletters and press releases from time to time were also displayed on the Company's website and the exchange.

10. General Shareholder Information:

1	Forthcoming Annual General Meeting	Day, Date, Time and Venue (The information regarding 30th Annual General Meeting for the Financial Year ended 31st March, 2019) Saturday, 28th September, 2019 at 11.00 a.m. at Raheja Classique Club, Andheri (West), Mumbai – 400058													
2	Financial Year	01st April, 2018 to 31st March, 2019													
3	Future Calendar	<table><tr><th>Subject Matter</th><th>Date</th></tr><tr><td>Financial Reporting of 1st Quarter ended on 30th June, 2019</td><td>Mid of Aug 2019</td></tr><tr><td>Financial Reporting of 2nd Quarter ended on 30th September, 2019</td><td>Mid of Nov 2019</td></tr><tr><td>Financial Reporting of 3rd Quarter ended on 31st December, 2019</td><td>Mid of Feb 2020</td></tr><tr><td>Financial Reporting of 4th Quarter ended on 31st March, 2020</td><td>During May 2020</td></tr><tr><td>Date of Annual General Meeting</td><td>During Aug 2020</td></tr></table>	Subject Matter	Date	Financial Reporting of 1st Quarter ended on 30th June, 2019	Mid of Aug 2019	Financial Reporting of 2nd Quarter ended on 30th September, 2019	Mid of Nov 2019	Financial Reporting of 3rd Quarter ended on 31st December, 2019	Mid of Feb 2020	Financial Reporting of 4th Quarter ended on 31st March, 2020	During May 2020	Date of Annual General Meeting	During Aug 2020	
Subject Matter	Date														
Financial Reporting of 1st Quarter ended on 30th June, 2019	Mid of Aug 2019														
Financial Reporting of 2nd Quarter ended on 30th September, 2019	Mid of Nov 2019														
Financial Reporting of 3rd Quarter ended on 31st December, 2019	Mid of Feb 2020														
Financial Reporting of 4th Quarter ended on 31st March, 2020	During May 2020														
Date of Annual General Meeting	During Aug 2020														
4	Date of Book Closure	21st September, 2019 to 28th September, 2019 (both days inclusive)													
5	Dividend payment date	Dividend is not declared for the year 2018-19													
6	Listing on Stock Exchange at	Bombay Stock Exchange (BSE) 25th Floor, P. J. Towers, Dalal Street, Mumbai 400 001													
7	Listing Fees & Custody Fees	Listing Fees as applicable have been paid.													
8	Stock Code	524218													
9	ISIN No.	INE486D01017													
10	CIN No.	L25209MH1989PLC051993													
11	Registrar and Transfer Agents	Adroit Corporate Services Pvt. Ltd. Address: 17/18/19/20, Jaferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai – 400059 Tel No:+91 (22) 4227 0400 Email: info@adroitcorporate.com Website: www.adroitcorporate.com													
12	Dematerialization of Shares	90.69% of the total equity capital is held in Dematerialized form with National Securities Depository Ltd. and Central Depository Services (India) Ltd. as on 31st March, 2019.													
13	Outstanding ADRs/ GDRs	The Company has not issued any ADRs/GDRs													
14	Plant Location	T-140, MIDC, Tarapur , Dist – Palghar (MH) India													
15	Address for correspondence	The Shareholders may send their correspondence relating to transfer/ dematerialization and other correspondence relating to shares of the company to the Registrar and Transfer Agents of the Company. Shareholders holding shares of Company in dematerialized form should address their correspondence to their respective Depository Participants. For any other queries, correspondence please write to Registered office address of the Company, as below: 301, Evershine Mall, Chincholi Bunder Junction, Malad (W), Mumbai -400 064. Designated e-mail id for investor correspondence: investors@resonancesl.com													

16	Share Transfer System	Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.
17	Stock Price Data	High, low Market Price on Bombay Stock Exchange during each month in the last Financial year in comparison with BSE Sensex are as follows:

Share Price Data: High/Low and Volume during each month of 2018-2019 at BSE Month Table

Month	Share Price (in Rs.)		BSE Sensex (in Rs.)	
	High	Low	High	Low
April 2018	35.75	28.80	35,213.30	32,972.56
May 2018	33.55	26.25	35,993.53	34,302.89
June 2018	27.95	22.00	35,877.41	34,784.68
July 2018	24.85	20.00	37,664.59	35,106.57
August 2018	26.85	20.60	38,989.65	37,128.99
September 2018	28.50	22.30	38,934.35	35,985.63
October 2018	26.65	21.00	36,616.64	33,291.58
November 2018	26.80	20.25	36,389.22	34,303.38
December 2018	27.00	22.00	36,554.99	34,426.29
January 2019	25.90	19.05	36,701.03	35,375.51
February 2019	24.10	18.25	37,172.18	35,287.16
March 2019	25.85	20.00	38,748.54	35,926.94

Shareholding Pattern and Distribution of Shareholding as on 31st March, 2019:

1.	Shareholding Pattern as on Financial year ended 31st March, 2019.		
	Category	No of Shares held	Percentage of Shareholding
A	Promoters Holding		
1.	Promoters		
	- Indian Promoters	74,70,902	64.72
	- Foreign Promoters	-	-
2.	Person Acting in Concert	-	-
	Sub-Total	74,70,902	64.72
B	Non- Promoter Holdings		
1	Institutional Investors	-	-
2	Mutual Fund and UTI	3,300	0.03
	Sub-Total	3,300	0.03
C	FIs Holdings	5,000	0.04
	Sub-Total	5,000	0.04
D	Others Holding		
1	Private Body Corporate	2,12,935	1.84
2	Indian Public	37,54,871	32.53
3	NRIs / OBC	82,322	0.71
4	Clearing Member	8,870	0.08
5	Body Corporate Broker	5,800	0.05
	Sub-Total	40,73,098	35.28
	Grand Total (A+B+C+D)	1,15,44,000	100.00

List of Top 10 Shareholders of the Company as on March 31, 2019

Sr. no	Name of the Shareholder	Category	No. of the Shares held	% to the Capital
1	Vista Finance & Leasing Pvt. Ltd.	Corporate Bodies (Promoter Group)	3,964,100	34.34
2	Ushma Investments Private Limited	Corporate Bodies (Promoter Group)	3,295,200	28.54

Sr. no	Name of the Shareholder	Category	No. of the Shares held	% to the Capital
3	Subramanian P	Resident Individuals	202,390	1.75
4	Avignon Chemicals Pvt Ltd	Corporate Bodies (Promoter Group)	146,600	1.27
5	Prashant Hansraj Thaman	Resident Individuals	101,585	0.88
6	Mantra Magic Enterprises Pvt Ltd	Corporate Bodies	99,600	0.86
7	Ajay Anantrai Patadia	Resident Individuals	70,459	0.61
8	Anuj Shah	Non Resident Indians (Individuals)	55,260	0.48
9	Deepak Kalyanji Bheda	Resident Individuals	42,483	0.37
10	Alok Gupta	Directors Relatives (Promoter Group)	41,800	0.36

Distribution of Shareholding as on 31st March, 2019.

Distribution of Shares (Slab Wise)	No. of Shareholders	Percentage to total No. of Shareholders	Total Share	Percentage to Total Share Capital
UPTO - 100	7351	70.64	6,99,759	6.06
101 - 500	2091	20.09	6,11,600	5.30
501 - 1000	492	4.73	4,21,415	3.65
1001 - 2000	219	2.10	3,47,531	3.01
2001 - 3000	81	0.78	2,06,796	1.79
3001 - 4000	52	0.50	1,84,890	1.60
4001 - 5000	30	0.29	1,39,037	1.20
5001 -10000	51	0.49	3,68,123	3.19
10001 - 20000	19	0.18	2,62,328	2.27
20001 - 50000	12	0.12	3,67,327	3.18
50001 & Above	8	0.08	79,35,194	68.74
Total	10406	100.00	1,15,44,000	100.00

IV) Disclosures**(a) Related Party Transactions**

The Audit Committee grants omnibus approval for the proposed related party transactions which will be valid for a year. The Audit Committee lays down the criteria for granting omnibus approvals in line with the policy for transactions which are repetitive in nature. In such cases where the volume for Related Party Transaction cannot be foreseen and details as required above are not available, the Audit Committee grants omnibus approval for such transactions subject to their value not exceeding Rupees One Crore per transaction. The Audit Committee reviews, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval given. Where it requires, the Audit Committee will report the related party transaction for the approval of the Board. If the Board feels that shareholders' approval is required, then the same shall be put up for approval by the shareholders of the Company.

Details of materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, the Directors or the management or relatives, etc. are presented in the Notes to the Financial Statements. All details on the financial and commercial transactions, where Directors may have a potential interest, are provided to the Board. The interested Directors neither participate in the discussion, nor vote on such matters. During the financial year 2018-19, there were no material related party transactions entered by the Company that may have a potential conflict with the interests of the Company.

The Company has formulated a policy on Related Party Transactions and the said Policy is available on the website of the Company at (www.resonancesl.com/pdf/Resonance_Specialties_Limited_Policy_for_Related_Party_Transactions.pdf)

b) Accounting treatment in preparation of financial statements.

In preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India.

(c) Subsidiary Companies

The Company does not have any subsidiary company.

(d) Code for Prevention of Insider Trading Practices & other Policies

In January, 2015, SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into effect from May 15, 2015. Pursuant thereto, the Company has formulated and adopted a revised Code for Prevention of Insider Trading. The Codes viz "Code of Conduct for Prevention of Insider Trading" and the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" allows the formulation of trading plan subject to certain conditions as mentioned in the said Regulations and requires pre-clearance for dealing in the Company's shares. It also prohibits the purchase or sale of Company's securities by the Directors, designated person and connected persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Company Secretary of the Company, is designated as the Compliance Officer for this Code.

(e) Vigil Mechanism / Whistle Blower Policy

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil Mechanism Policy under which the employees are free to report violations of applicable laws and regulations.

The same is posted on the website of the Company www.resonancesl.com

(f) CEO/CFO Certification

As required under Regulation 17(8) of the SEBI Listing Regulations, Managing Director and Chief Financial Officer of the Company have submitted a Compliance Certificate for the financial year ended March 31, 2019, which is annexed to this Report.

(g) Disclosure of Pending Cases/Instances of Non- Compliance

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

IV) Shareholder Information**a) Disclosures Regarding the Board of Directors**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed under the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI Listing Regulations.

b) Means of Communication

In accordance with Regulation 46 of the SEBI Listing Regulations, the Company has maintained a functional website at www.resonancesl.com containing information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, details of the policies approved by the Company, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc. The contents of the said website are updated from time to time. The quarterly and annual results are published in Business Standard (English) and Mahanayak (Marathi) or Mumbai Mitra, which are national and local dailies respectively and also displayed on the Company's website for the benefit of the public at large.

Further, the Company disseminates to the Stock Exchanges (i.e. BSE), wherein its equity shares are listed, all mandatory information and price sensitive/ such other information, which in its opinion, are material and / or have a bearing on its performance/ operations and issues press releases, wherever necessary, for the information of the public at large. For the benefit of the members, a separate email id has been created for member correspondence viz., investors@resonancesl.com.

Dematerialization of Shares and Liquidity

As on March 31, 2019, 1,04,69,226 equity shares representing 90.69% of the total equity share capital of the Company, were held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. The Company's equity shares are regularly traded on the BSE. The break-up of equity shares held in Physical and dematerialised form as on March 31, 2019, is given below:

Particulars	No. of equity shares	Percentage
Physical Segment	10,74,774	9.31
Demat Segment:-		
NSDL	18,58,230	16.10
CSDL	86,10,996	74.59
Total	1,15,44,000	100.00

Share Transfer System

Applications for transfer of Shares held in physical form are received at the office of the registrar and share transfer agent of the Company, Adroit Corporate Services Pvt. Ltd. They attend to share transfer formalities at least once a week and forward the same to the Company for the Stakeholder's Relationship Committee's approval. In order to expedite the process of share transfers in physical mode, the members of the Stakeholder's Relationship Committee has authorised the Company Secretary and the Director to conduct their meetings more frequently, to the extent of weekly meetings of the Committees and thereafter the Stakeholder's Relationship Committee ratifies the same.

Shares held in dematerialized form are electronically traded in the depository and the registrar and share transfer agent periodically receives from the depository the details of beneficiary holdings so as to update the records for sending all corporate communications and other matters.

Application for dematerialization of physical shares are processed and completed within a period of 15 days from the date of receipt, provided they are duly completed. Incomplete applications are immediately returned to the depository participants under advice to the shareholders.

Address for Members' Correspondence

Members are requested to correspond with the Registrars and Share Transfer Agents at the below given address on all matters relating to transfer/ dematerialization of shares, payment of dividend and any other query relating to Equity Shares or Debentures of the Company.

Registrars and Share Transfer Agents:

Contact Officer: Mr. Sandeep Holam
M/s. Adroit Corporate Services Pvt. Ltd.
Address: 17/18/19/20, Jaferbhoy Ind. Estate,
1st Floor, Makwana Road, Marol Naka, Andheri East-59
Tel No: +91(22) 4227 0400
Email: info@adroitcorporate.com.

The Company has maintained an exclusive email id: investors@resonancesl.com which is designated for investor correspondence for the purpose of registering any investor related complaints and the

same have been displayed on the Company's website: www.resonancesl.com. Members are required to note that, in respect of shares held in dematerialized form, they will have to correspond with their respective Depository Participants (DPs) for related matters. Members may contact the Compliance Officer and/or the Investor Relations Officer at the following address:

Compliance Officer & Investor Relations Officer:

Contact Officer: Mr. Sagar Lambole
301, Evershine Mall, Chincholi Bunder Junction,
Off. Malad Link Road, Malad (W), Mumbai - 400 064.
Tel no: +91(22) 42172222
Email: investors@resonancesl.com

V) Compliance:

(a) (i) Details of non-compliance, if any

There is no Non-Compliance of any requirement of Corporate Governance Report of sub para (2) to (10) of the Part C of Schedule V of the SEBI Listing Regulations.

(ii) Compliance with mandatory requirements

The Company has complied with all the mandatory items of the SEBI Listing Regulations

(iii) Compliance with the Discretionary

Requirements under SEBI Listing Regulations Adoption of discretionary requirements of SEBI Listing Regulations is being reviewed by the Company from time to time.

(iv) Auditors' Certificate on Corporate Governance

The Company has obtained a Certificate from its Secretarial Auditors regarding compliance of the conditions of Corporate governance, as stipulated in Regulation 17 to 27, clause (b) to (i) of Regulation 46(2) and paragraphs C, D, and E of Schedule V to the SEBI Listing Regulations, which together with this Report on Corporate Governance is annexed to the Directors' Report and shall be sent to all the members of the Company and the Stock Exchanges along with the Annual Report of the Company.

(b) Compliance with Regulation 39(4) read with Schedule V and VI of SEBI Listing Regulations – Uniform procedure for dealing with unclaimed shares:

Pursuant to the General Circulars issued by the Ministry of Corporate Affairs with respect to Section 124 (6) of the Companies Act, 2013 read with Rules made thereunder in relation to transfer of Unclaimed shares to Investor Education and Protection Fund (IEPF), The Company has comply with the formalities, as may be necessary, in this regard.

VI) Investor safeguards and other information:

Dematerialisation of Shares

Members are requested to convert their physical holdings to demat /electronic form through any of the registered Depository Participants (DPs) to avoid the hassles involved in dealing in physical shares such as possibility of loss, mutilation, etc. and also to ensure safe and speedy transaction in respect of the shares held.

Revalidation of Dividend Warrants

Members who have either not opted for NECS/ECS mandate or do not have such a facility with their bankers and who have not encashed earlier dividends paid by the Company, are requested to write to the Company's Share Transfer Agents for revalidation of expired dividend warrants and failing their encashment for a period of seven years, they stand to lose the right to claim such dividend owing to transfer of unclaimed dividends beyond seven years to Investor Education and Protection Fund. The Form for such application is attached at the end of the Report.

Unclaimed Dividends

In view of amended Section 125 of the Companies Act, 2013, followed by the issue of Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, any money transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to a fund called Investor Education and Protection Fund (the fund) set up by the Central Government. No claims shall lie thereafter against the fund or the Company in respect of such amounts transferred. Shareholders are therefore requested to verify their records and send claims, if any, before the respective amounts become due for transfer to the fund. The details of unclaimed dividend are as under:

Year	No. of Shareholders	Amount (In Rs.)	Due date of transfer to Investor Education and Protection Fund (IEPF)
2013-14	4,552	3,97,336.50	14.08.2021
2014-15	4,816	4,16,979.00	28.09.2022

Update Address / E-Mail Address / Bank Details

To receive all communications/corporate actions promptly, members holding shares in dematerialized form are requested to please update their address/email address/ bank details with the respective DPs and in case of physical shares, the updated details have to be intimated to the Registrar & Share Transfer Agents. The Form for such application is attached at the end of the Report.

Electronic Service of Documents to Members at the Registered Email Address

As a responsible corporate citizen, your Company has been continuously supporting the "Green Initiatives" taken by the Ministry of Corporate Affairs, Government of India (MCA) and Securities and Exchange Board of India (SEBI).

Accordingly, in respect of Members / Members who have registered their email addresses, the Company has been dispatching all documents vide electronic form.

In accordance with Rule 18 of the Companies (Management and Administration) Rules, 2014 notified under the Companies Act, 2013, the Companies may give Notice of the General Meetings through electronic mode. Further, the said Rule provides that advance opportunity should be given at least once in a financial year to the Members / Members for registering their email address and changes therein, as may be

applicable. Further Rule 11 of the Companies (Accounts) Rules, 2014 notified under the Companies Act, 2013 provides that in case of listed companies, financial statements may be sent by electronic mode to such Member / Members whose shareholding is in dematerialized form and whose email IDs are registered with the Depository Participant for communication purposes. As regards Member / Members whose shareholding is held in physical form, the financial statements may be sent in electronic mode to those members who have positively consented in writing for receiving by electronic mode.

In view of the above, the Company shall send all documents to Members like General Meeting Notices (including AGM), Annual Reports comprising Audited Financial Statements, Directors' Report, Auditors' Report and any other future communication (hereinafter referred as "documents") in electronic form, in lieu of physical form, to all those members, whose email address is registered with Depository Participant (DP)/Registrars & Share Transfer Agents (RTA) (hereinafter "registered email address") and made available to us, which has been deemed to be the member's registered email address for serving the aforesaid documents. To enable the servicing of documents electronically to the registered email address, we request the members to keep their email addresses validated/ updated from time to time. We wish to reiterate that Members holding shares in electronic form are requested to please inform any changes in their registered e-mail address to their DP from time to time and Members holding shares in physical form have to write to our RTA, Adroit Corporate Services Private Limited at their specified address, so as to update their registered email address from time to time.

It may be noted that the Annual Report of the Company is available on the Company's website www.resonancesl.com for ready reference. Members are also requested to take note that they will be entitled to be furnished, free of cost, the aforesaid documents, upon receipt of requisition from the members, any time, as a member of the Company.

E- Voting Facility to Members

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 30th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL).

Consolidate Multiple Folios (in respect of physical shareholding)

Members are requested to consolidate their shareholdings under multiple folios to eliminate the receipt of multiple communications and this would ensure that future correspondence/corporate benefits could then be sent to the consolidated folio.

Register Nomination(s)

Members holding shares in physical form, are requested to register the name of their nominee(s), who shall succeed the member as the beneficiary of their shares and in order to avail this nomination facility, they may obtain/submit the prescribed form from the Registrars & Share Transfer Agents. Members holding shares in dematerialized form are requested to register their nominations directly with their respective DPs.

Dealings of Securities with Registered Intermediaries

In respect of dealings in securities, members must ensure that they deal only with SEBI registered intermediaries and must obtain a valid contract note/ confirmation memo from the broker/sub-broker within 24 hours of execution of the trade(s) and it should be ensured that the contract note/ confirmation memo contains details about order no., trade no., trade time, quantity, price and brokerage.

For and on behalf of the Board

Dr. A. B. Gupta	Ms. Archana Yadav
Managing Director	Director
Date : 29th May, 2019	DIN: 00025255
Place: Mumbai	DIN:07335198

DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V THE SEBI LISTING REGULATIONS

To,
The Members
Resonance Specialties Limited

I hereby declare that all the Directors and the designated employees in the Senior Management of the Company have affirmed compliance with their respective Codes for the financial year ended 31st March, 2019.

For Resonance Specialties Limited

Dr. A. B. Gupta
Managing Director
DIN: 00025255

Date : 29th May, 2019
Place: Mumbai

CERTIFICATION BY MD AND CFO UNDER REGULATION 17(8) OF SEBI LISTING REGULATIONS

The Board of Directors
Resonance Specialties Limited

We have reviewed the financial statements and the cash flow statement of Resonance Specialties Limited for the year ended 31st March, 2019 and that to the best of our knowledge and belief:

- (a) (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 our 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) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee;
- (i) significant changes in internal control over financial reporting during the year;
- (ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
- (iii) instances of significant fraud of which we 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.

Dwarika Agrawal
Chief Financial Officer

Dr. A B Gupta
Managing Director
DIN: 00025255

Date : 29th May, 2019
Place: Mumbai

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER
REGULATION 17 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015**

To
The Members
Resonance Specialties Limited

We have examined the compliance of conditions of Corporate Governance by Resonance Specialties Limited for the year ended 31st March, 2019, as stipulated in Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulation 17 of the above mentioned Listing Regulation.

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 Alok Khairwar and Associates
Company Secretaries

Proprietor
C.P No: 12880

Place : Mumbai
Date : 29th May, 2019

INDEPENDENT AUDITOR'S REPORT

To The Members of **RESONANCE SPECIALTIES LIMITED**

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **RESONANCE SPECIALTIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key audit matter	Auditor's response
1	Revenue Recognition Revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue is measured based on transaction price, which is the consideration, adjusted for rebates, discounts and incentives as also estimated sales returns. Revenue is one of the key profit drivers and therefore, accounting of revenue is considered as a key audit matter. [Refer Notes III(f) to the financial statements]	Our audit procedures, among other things, included the following: 1. Considered the appropriateness of the Company's accounting policies regarding revenue recognition 2. Testing controls, automated and manual, around dispatches/deliveries/shipments inventory reconciliations and process of confirmation of receivable balances, testing for cut-offs and analytical review procedures. 3. Assessed the disclosures in accordance with the requirements of Ind AS 115 on "Revenue from Contracts with Customers".
2	Evaluation of uncertain tax positions The company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.	Our audit procedures, among other things, included the following: (a) Obtained details of completed tax assessments and demands during the year ended march 31 2019 from management. (b) We involved our internal tax experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. (c) Our internal tax experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. (d) We considered the effect of new information in respect of uncertain tax positions as at 31st March ,2019 to evaluate whether any change was required to management's position on these uncertainties

Sr. No	Key audit matter	Auditor's response
3	Valuation of inventories Inventory forms a significant part i.e. 23% of the Company's total assets. Inventory comprises of Raw Materials, Finished Goods, Stock in process and Stores and Spares. The Company has complex product manufacturing process and thus, the overhead absorption over each process is quite complex and more particularly, to have the basis of absorption. The Company has worked out the overhead absorption cost rate based on the consumption of material and apply the same for all other overheads. Due to significance of arriving at the overhead absorption rate for the valuation of inventories, it is considered to be a key audit matter. Refer notes III(g) to the standalone financial statements.	We have reviewed the stock records and held discussion with the management. We verified arithmetical accuracy of valuation records/reports. For a sample of inventory items we have verified that the weighted average cost calculation by the system in case of inventory is appropriate.
4	Related Party Transactions Determination of transaction price for related party transactions is a key audit matter considering the significance of the transaction value and the significant judgments involved in determining the transaction value. Refer notes 37 of the standalone financial statements.	<ul style="list-style-type: none"> We have read the approvals obtained from audit committee, board of directors and shareholders. We have assessed the disclosures in accordance with Ind AS 24 "related party disclosures".

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance total comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted

in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(1) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter

should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in term of sub-section (11) of the section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 standalone financial statements - refer note no.38 to the statements.
 - ii. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For V.R.BHABHRA & CO.

Chartered Accountants
(Firm's Registration No. 112861W)

VIMAL R .BHABHRA

Partner
(Membership No. 046043)
Mumbai,
Date: 29th May 2019

Annexure A to the Independent Auditors' Report

(Referred to paragraph (9) under 'Report on other legal and regulatory requirements' of our report of even date to the member of resonance specialties limited on the Ind AS financial statements for the year ended March31, 2019)

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 have been physically verified by the management in a phased manner, designed to cover all items over a period of three years , which in our opinion, is reasonable having regard to the size of the Company and the nature of its business. Pursuant to the program, a portion of fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed asset have been noticed.
- c. The title deeds of immovable properties are held in the name of the company.

ii. In respect of Inventories :

- a. We are informed that the inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to size of the Company and nature of its business.
- c. On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. We are informed that the discrepancies noticed on verification between the physical stocks and the book records were not material in relation to the operations of the Company.

iii. The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) to (c) of the order are not applicable to the company and hence not commented upon.

iv. In our opinion and according to the information and explanation given to us, the company has complied with the provisions of Section 185 and 186 of the companies act, 2013 in respect of loan, investments, guarantees and security.

v. According to the information and explanations given to us, the company has not accepted any deposits from the public and hence the directives issued by the Reserve bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and Companies (Acceptance of deposit) Rule 2015 with regard to the deposits accepted from the public are not applicable.

vi. We have broadly reviewed the books of account and records maintained by the Company pursuant to the rules prescribed by the Central Government of India, the company is required to maintain cost records as specified under section 148(1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the same and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. The contents of these accounts and records have not been examined by us.

vii. In respect of statutory dues:

- a. According to the information and Explanation given to us and records of the Company as produced and examined by us, in our opinion, there have been some delays in depositing undisputed statutory dues in respect of Provident Fund, Income-tax, Sales-tax, Service-tax, Excise Duty, Goods and Services Tax, cess and any other statutory dues with the appropriate authorities.
- b. According to the information and explanations given to us and the records of the Company examined by us there are no dues of income tax, Sales Tax, Wealth Tax, Service tax, Custom Duty, Excise Duty , Goods and services Tax or cess which have not been deposited on account of any dispute except as mentioned below:

Name of statute	Nature of the Dues	Amount (Rs.in lakhs)	Pending before	Nature of Dispute
Central Excise Act	Excise duty	63.81	Joint Commissioner	Common input matter of INH for the period of December 2002 to October 2006 order pass by the joint commissioner, central excise, thane. Against which company file appeal before the commissioner (appeals) and order was passed in favor company, against which Department has filed appeal to Appellate Tribunal, as per the order of the Appellate Tribunal case was remanded back to adjudicating authority. Pending outcome of the same is considered as contingent liability in the current year.
Central Excise Act	Excise duty	32.23	Appellate Tribunal (CESTAT)	Inadmissible CENVAT credit taken for the period February 2007 to March 2010 order pass by assistant commissioner, Central Excise. Against which company has file Appeal to Commissioner of (appeals), the order was in the favor of the department. The company has filed appeal to Appellate Tribunal (CESTAT). Pending outcome of the same is considered as contingent liability in the current year.

- viii. Based on our audit procedures and according to the information and explanations provided to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institution and bank.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanation given to us and based on our examination of the records of the company, the company has paid and provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of Section 197 read with schedule V to the act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards and Companies Act, 2013.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For V R BHABHRA & CO.

Chartered Accountants
FRN: 112861W

Vimal R. Bhabhra

(Partner)
Membership No: - 046043
Place: Mumbai.
Date: 29th May 2019

Annexure B to the Independent Auditors' Report

(Referred to in paragraph 5(f) of the Independent Auditors' Report of even date to the members of Resonance Specialties Limited on the financial statements for the year ended March 31, 2019)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of Resonance Specialties Ltd. ("the Company") as of March 31, 2019 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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 authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For V R BHABHRA & CO.

Chartered Accountants
FRN: 112861W

Vimal R. Bhabhra

(Partner)

Membership No: - 046043

Place: Mumbai.

Date: 29th May 2019

BALANCE SHEET AS AT 31ST MARCH 2019

Particulars	Note No.	As at 31.03.19 Audited Amount (Rs.)	As at 31.03.18 Audited Amount (Rs.)
ASSETS			
Non-current assets			
Property, plant and equipment	2	13,74,08,933	14,22,42,562
Capital work-in-progress		83,39,109	59,92,340
Other intangible assets	2	32,98,300	37,43,616
Financial assets			
i. Other financial assets	3	1,31,36,143	1,45,00,576
Other Non Current Asset	4	6,79,568	2,55,010
Total non-current assets		16,28,62,054	16,67,34,104
Current assets			
Inventories	5	8,87,83,960	9,93,05,607
Financial assets			
i. Trade receivables	6	7,56,94,106	6,65,19,624
ii. Cash and cash equivalents	7	1,01,00,292	81,711
iii. Other Bank balances	8	68,58,277	57,47,116
iv. Other financial assets	9	6,68,764	8,70,981
Other current assets	10	3,66,83,039	2,92,53,606
Total current assets		21,87,88,438	20,17,78,645
Total assets		38,16,50,492	36,85,12,749
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	11,54,40,000	11,54,40,000
Other equity	12	14,92,59,834	11,71,81,620
Total Equity		26,46,99,834	23,26,21,620
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
i. Borrowings	13	-	1,19,916
Provisions	14	25,95,292	20,43,463
Deferred tax liabilities	15	1,82,48,357	1,59,70,438
Total Non-Current Liabilities		2,08,43,649	1,81,33,817
Current Liabilities			
Financial liabilities			
i. Borrowings	16	-	3,35,74,115
ii. Trade payables	17	6,84,59,920	5,97,37,352
iii. Other financial liabilities	18	71,03,765	2,17,46,848
Other current liabilities	19	58,79,450	15,65,951
Provisions	20	7,22,742	8,26,980
Current tax liability (net)		1,39,41,132	3,06,066
Total Current Liabilities		9,61,07,009	11,77,57,312
Total Liabilities		11,69,50,658	13,58,91,129
Total Equity and Liabilities		38,16,50,492	36,85,12,749

Mention below

Corporate information

1

Significant accounting policies

2

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For V.R.Bhabhra & Co

Firm Registration No. 112861W

Chartered Accountants

CA Vimal R Bhabhra

Partner

Membership No.046043

Place: Mumbai,

Dated 29-May-2019

For & on behalf of the Board

For RESONANCE SPECIALTIES LIMITED

Dr. A B GUPTA

Managing Director

DIN: 00025255

Mr. Sagar Lambole

Company Secretary

Ms. Archana Yadav

Director

DIN:07335198

CA. Dwarika Agrawal

Chief Financial Officer

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2019

Particulars	Note No.	For the year ended 31st March 2019 Amount (Rs.)	For the year ended 31st March, 2018 Amount (Rs.)
INCOME			
Revenue from operation (Gross)	21	45,44,12,636	38,83,93,344
Less : Goods & Service Tax		3,81,18,497	2,87,85,996
Revenue from operation (net)		41,62,94,139	35,96,07,348
Other Income	22	1,39,17,348	1,10,78,722
		43,02,11,487	37,06,86,070
EXPENDITURE			
Cost of raw material consumed	23	16,99,44,641	11,99,20,286
Purchases of Traded Goods	24	17,25,000	1,20,80,224
(Increase)/Decrease in inventories of Finished Goods, and stock in trade and work in process	25	81,98,818	3,92,77,118
Employees benefit Expenses	26	2,97,29,658	3,50,84,153
Others Expenses	27	15,77,55,442	14,67,79,094
		36,73,53,559	35,31,40,876
Earning Before Interest, Depreciation & Taxation		6,28,57,928	1,75,45,195
Interest & Financial Cost	28	53,59,210	54,83,872
Depreciation	29	90,64,845	1,14,62,006
Profit/(Loss) Before Exception items, Prior Period Items & Taxation		4,84,33,872	5,99,316
Exceptional Items (Income)/Expenses	30	(1,67,206)	2,60,925
Profit/(Loss) Before Prior Period Items & Taxation		4,82,66,666	3,38,391
Prior Period Items	31	(6,82,499)	-
Profit/(Loss) Before Tax		4,75,84,167	3,38,391
Less : Provision for			
Current Tax		(1,39,42,559)	(2,50,000)
MAT Credit Entitlement		-	2,50,000
Taxation of earlier years		-	(21,55,232)
Deferred Tax Asset/(Expenses)		(15,95,420)	(58,64,438)
Profit/(Loss) for the period from Continuing Operations		3,20,46,188	(76,81,278)
Other Comprehensive Income			
A (i) items that will not be reclassified to profit or loss		(5,541)	9,96,366
(ii) Income tax relating to items that will not be reclassified to profit or loss		1,427	(2,56,564)
B (i) items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Total other comprehensive Income		(4,114)	7,39,802
Total Comprehensive Income for the period (Comprising Profit/(Loss) and other comprehensive Income for the period)		3,20,42,074	(69,41,477)
Earning per equity share			
Basic & Diluted earning per share		2.78	(0.60)
Face value per share		10.00	10.00

As per our report of even date attached

For V.R.Bhabhra & Co

Firm Registration No. 112861W

Chartered Accountants

CA Vimal R Bhabhra**Partner**

Membership No.046043

Place: Mumbai,
Dated 29-May-2019**For & on behalf of the Board****For RESONANCE SPECIALTIES LIMITED****Dr. A B GUPTA**
Managing Director
DIN: 00025255**Mr. Sagar Lambole**
Company Secretary**Ms. Archana Yadav**
Director
DIN:07335198**CA. Dwarka Agrawal**
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

Particulars	2018-19 (Rs)	2017-18 (Rs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	4,75,84,167	3,38,391
Non Cash adjustment to reconcile profit/(loss) before tax to net cash flows		
Depreciation	90,64,845	1,14,62,006
Exceptional Non Cash Items	6,82,499	-
Loss on sales of Fixed Assets	(2,27,122)	-
Interest Expense	28,23,341	34,38,930
Provision for Gratuity	-	12,41,604
Provision for Gratuity in OCI (net of tax)	(4,114)	7,39,802
Interest income	(4,08,284)	(4,98,124)
Unwinding interest income	(3,83,996)	(4,34,239)
Operating Profit before Change in Working Capital Changes	5,91,31,337	1,62,88,370
Provision For Bad Debts And Advances W/Back		
Movement in working Capital		
Increase(Decrease) in Trade payable	87,22,569	(2,98,48,735)
Increase(Decrease) in Long term provisions	5,51,829	(90,55,011)
Increase(Decrease) in other current liabilities	43,13,499	3,10,590
Increase(Decrease) in other current financial liabilities	(1,46,43,084)	1,53,39,105
Decrease/(Increase) in inventories	1,05,21,647	3,63,47,094
Decrease/(Increase) in Trade Receivables	(91,74,482)	75,62,883
Increase/(Decrease) in Provisions	(1,04,238)	-
Decrease/(Increase) in Long Term advances		-
Decrease/(Increase) in other current assets	(74,29,433)	(1,89,75,888)
Decrease/(Increase) in Other Financial Assets	2,02,217	55,47,212
	(70,39,476)	72,27,250
Cash generated from operation	5,20,91,860	2,35,15,620
Direct Taxes paid	(5,66,890)	(20,84,490)
Net cash flows from operating activities	(A) 5,26,58,750	2,14,31,129
B CASH FLOW USED IN INVESTMENTS ACTIVITIES		
Purchases of Fixed assets including capital advances	(63,59,792)	(1,15,75,107)
Other Long Terms Financial Assets	9,39,874	-
Interest received	4,08,284	4,98,124
Net cash flows from Investment activities	(B) (50,11,634)	(1,10,76,983)
C Cash flow from financing activities		
Proceeds of Long term borrowings	(1,19,916)	(3,19,539)
Proceeds from short term borrowings (Net)	(3,35,74,115)	(63,69,262)
Dividend paid	-	-
Interest paid	(28,23,341)	(34,38,930)
Net cash flows / (used in)from Investment activities	(C) (3,65,17,372)	(1,01,27,731)
Net cash increase/(decrease) in cash and cash equivalents	(A+B+C) 1,11,29,744	2,26,415
ADD : cash and cash equivalents at the beginning of the year	58,28,825	56,02,410
cash and cash equivalents at the end of the year	1,69,58,570	58,28,825
Components of cash and cash equivalents		
Cash on hand	16,184	30,645
Bank balance in current accounts	1,00,84,108	51,064
Bank balance in Fixed deposit accounts	68,58,277	57,47,116
	1,69,58,569	58,28,825

As per our report of even date attached

For V.R.Bhabhra & Co

Firm Registration No. 112861W

Chartered Accountants

CA Vimal R Bhabhra

Partner

Membership No.046043

For & on behalf of the Board

For RESONANCE SPECIALTIES LIMITED

Dr. A B GUPTA

Managing Director

DIN: 00025255

Ms. Archana Yadav

Director

DIN:07335198

Place: Mumbai,

Dated 29-May-2019

Mr. Sagar Lambole

Company Secretary

CA. Dwarka Agrawal

Chief Financial Officer

RESONANCE SPECIALTIES LIMITED**Note: 1**

Accompanying notes to financial statements for the year ended March 31, 2019

1.1 CORPORATE INFORMATION:

Resonance Specialties Limited (Company) is incorporated under the companies Act 1956, and is listed with Bombay Stock Exchange, the main activity of company is manufacturing of Pyridine, Picoline, Cynopyridine and derivatives of the same. Bulks drugs and nutritional products are toll converted. In view of multi products manufacturing and frictional distillation in batches, overall average product cycle is around 2 to 4 months from the procurement till the disposal.

1.2 BASIS OF PREPARATION:**Compliance with Ind-AS:**

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- a) Land and Building classified as Property, Plant and equipments
- b) Certain financial assets and liabilities measured at fair value.

The Financial Statements are presented in Indian Rupees (INR) which is the functional currency for the company. All amounts have been rounded-off to the nearest rupee, unless otherwise indicated.

1.3 SIGNIFICANT ACCOUNTING POLICIES:

The following are the significant accounting policies applied by the Company in preparing its financial statements:

a) Property, Plant and Equipment:

- Leasehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the item.
- Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of item can be measured reliably.
- The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as

the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss on the date of disposal or retirement.

- Capital Work in Progress: Assets under installation/ commissioning are shown under the head Capital Work –in Progress.
- Depreciation on the property, plant and equipment is provided on the written down value basis over the useful life of assets as specified in Schedule II to the Companies Act, 2013. Property, plant and equipment which are added / disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

b) Current and Non-Current Classification:

The Company presents assets and liabilities in the balance sheet based on Current/Non-current classification.

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Deferred tax Assets and Liabilities are classified as Non-Current Assets and Liabilities.

c) Cash and Cash Equivalents:

For the purpose of presentation in statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institution, other short term, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are

subject to an insignificant risk of changes in value, and bank overdraft. Fixed Deposit in the form of margin money for Letter of Credit and Guarantee are classified as other bank balances.

d) Financial Instruments:

Financial Assets:

➤ Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

➤ Subsequent Measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

Financial assets at fair value

Financial assets at amortised cost.

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss. All equity investments are measured at fair value in the balance sheet, with value changes recognised in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in other comprehensive income.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

➤ Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset.

➤ Impairment of Financial Assets:

The Company assesses impairment based on expected credit losses model to the following:

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12- months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from default events over the life of the financial instruments).

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables.

Under simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss

allowance based on lifetime expected credit losses at each reporting date, right from its initial recognition.

The Company uses provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on the historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly, 12 month expected credit losses is used to provide for impairment loss. However, if the credit risk has increased significantly, lifetime expected credit losses is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-month expected credit losses.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increase in credit risk to be identified on a timely basis.

(II) Financial Liabilities:

➤ Initial Recognition and Measurement

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

➤ Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial Liabilities at Fair Value Through Profit and Loss:

It includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss.

Financial liabilities classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated upon initial recognition, and only if the criteria in Ind AS 109 are satisfied.

b) Loans and Borrowings:

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in profit or loss over the period of the borrowings using EIR method/ Straight line method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fees is deferred until the drawn down occurs. To the extent there is no evidence that it is probable that some or all of the facilities will be drawn down, the fee is capitalised as a prepayment of liquidity services and amortised over the period of the facilities to which it relates.

➤ Derecognition of Financial Liabilities:

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash asset transferred or liabilities assumed, is recognised in profit or loss as other gain/(losses).

(III) Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company, or the counterparty.

e) Fair Value Measurement:

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing an asset or liability acting in their best economic interest. The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/profit in case of financial assets or liabilities.

f) Revenue Recognition:

• Sale of Goods

Revenue is recognized only when there is no significant uncertainty as to its measurability or collectability of the amount. Turnover includes sale of goods, and GST and are net of discounts and claims.

• Interest Income

Interest income is accounted on accrual basis. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Interest income is included in other income in the statement of profit and loss.

• **Dividend Income:**

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

g) Inventories:

In general, all inventories of finished goods, work in progress etc., are stated at lower of cost or net realizable value. Finished goods stored in tanks pending final packing are included in the finished goods stocks and valued accordingly. Cost of inventories comprises of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory of their present location and condition. Raw materials, Packing material & stores and spares are stated at cost on FIFO basis.

h) Export Incentives

Export benefits are accounted for on accrual basis to the extent considered receivable.

i) Employee Benefits:

i. Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Defined Benefit Plans:

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Measurement of the net defined benefit liability, which comprises actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start

of the financial year after taking into account any changes as a result of contribution and benefit payable during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

iii. Other Long-Term Employee Benefits

The Company's net obligation in respect of long - term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re- measurement is recognised in Statement of Profit and Loss in the period in which they arise.

Entitlements to annual privilege leave are recognized when they accrue to employees. Privilege leave can be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the projected unit credit method with actuarial valuations being carried out at each reporting date.

j) Borrowing Cost

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. All other borrowing costs are expensed in the period in which they occur.

k) Leases:

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, and whether the fulfilment of the arrangement is dependent on the use of the specific assets or the arrangements conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

As Lessee (expenses)

Assets leased by the Company in its capacity as lessee where significant portion of risks and rewards of ownership are retained by lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessors expected inflationary cost increases.

l) Segment Reporting:

The operations of the Company are limited to one segment, namely manufacturing of Chemicals and there are no other reportable segments. All the assets and revenue earned by the Company are in India. In view of a single business and geographical segment, no further disclosure as per Ind AS 108 needs to be made.

m) Taxation:

- i. Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.
- ii. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.
- iii. Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
- iv. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
- v. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
- vi. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.
- vii. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.
- viii. The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.
- ix. The Company review the applicability of Minimum Alternative Tax (MAT) at the end of each reporting date. Credit of MAT, if any is recognised as a part of deferred tax assets. As deferred tax asset shall be recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.

- x. Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

- (a) Deductible temporary differences;
- (b) The carry forward of unused tax losses; and
- (c) The carry forward of unused tax credits .The Company reviews the same at each reporting date and written down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal income tax during the specified period.

n) Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o) Provisions and Contingencies:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed in case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimate is possible;
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include capital expenditure (net of advances) in relation to solar power plant.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

p) Impairment of Assets:

At each balance sheet date the company reviews whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment

loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount and charged to profit & loss account in the year in which asset is identified as impaired. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. The impairment loss recognized in prior accounting periods is reversed if there has been a change in estimate of recoverable amount.

q) Research And Development

Revenue expenditure pertaining to Research & Development which are not for enduring benefit are charged to Profit & Loss Account. Expenditure incurred for enduring benefit for the development of the products/processes which will generate future economic benefit by the way of improvement in yield and efficiency of those products are carried over as R&D work in progress under the head 'Capital Work in Progress'. The value of process/product so developed is amortized over a period of ten years from the year of successful development.

1.4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgments, which have significant effect on the amounts recognized in the financial statement:

➤ Property, Plant and Equipment and Intangible Assets.

Management has assessed the remaining useful lives and residual value of fixed assets. Management believes that the assigned useful life is reasonable.

➤ Defined Benefit Obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term

nature, a defined obligation is highly sensitive to changes in these assumptions. All assumption are reviewed at each reporting date.

➤ Fair Value Measurement of Financial Instruments

When the fair value of financial asset and liabilities recorded in balance sheet cannot be measured based on quoted price in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risks and volatility. Changes in assumption about these factors could affect the reported fair value of financial instruments.

➤ Operating Lease Commitments – As a Lessee

The Company has entered into lease agreement of its registered office, located at 301, Evershine Mall, Off Malad Link Road, Malad West, Mumbai-64. -The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

➤ Income Taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

➤ Contingencies

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

Note-2

ASSETS DESCRIPTION	Gross Block				Depreciation				Net Block	
	As on 01.04.2018	Addition during the Year	Deductions Adjustment	Block as on 31.03.19	As on 01.04.2018	For the year 2018-19	Deductions Adjustment	Up to 31.03.19	As on 31.03.19	As on 31.03.2018
Lease Hold Land	3,99,49,055	-	-	3,99,49,055	76,50,162	6,51,130	-	83,01,292	3,16,47,763	3,22,98,893
Buildings	1,94,41,271	-	-	1,94,41,271	1,73,77,399	4,49,523	-	1,78,26,922	16,14,349	20,63,872
Plant & Machinery	30,25,21,028	38,18,560	35,69,386	30,27,70,202	20,29,79,258	65,28,944	(33,42,264)	20,61,65,938	9,66,04,264	9,95,41,770
Furniture & Fixtures	21,42,011	-	-	21,42,011	15,86,756	62,934	-	16,49,690	4,92,321	5,55,255
Office Equipment	47,13,055	1,94,463	-	49,07,518	43,93,053	70,701	-	44,63,755	4,43,763	3,20,002
Motor Car	33,07,940	-	-	33,07,940	18,69,640	2,25,859	-	20,95,499	12,12,441	14,38,300
Electric Installation	1,54,89,008	-	-	1,54,89,008	1,54,74,988	-	-	1,54,74,988	14,019	14,019
R & D Equipment	1,34,00,050	-	-	1,34,00,050	73,89,599	6,30,438	-	80,20,038	53,80,012	60,10,451
Intangible Assets	1,38,93,160	-	-	1,38,93,160	1,01,49,544	4,45,316	-	1,05,94,860	32,98,300	37,43,616
Total	41,48,56,578	40,13,023	35,69,386	41,53,00,215	26,88,70,400	90,64,846	(33,42,264)	27,45,92,982	14,07,07,233	14,59,86,178

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	As on 31.03.2019 Amount (Rs.)	As on 31.03.2018 Amount (Rs.)
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NOTE-3

FINANCIAL ASSETS - Other Non- current Financial Asset

Security Deposits	68,02,292	76,92,578
Sales tax paid on protest	13,40,000	13,40,000
VAT Refundable	49,93,851	54,67,998
	1,31,36,143	1,45,00,576

NOTE-4

OTHER NON-CURRENT ASSETS

(Unsecured and considered good)

MAT Credit Entitlement	2,50,000	2,50,000
Prepaid Rent - Non Current	4,15,859	
Other advances	13,709	5,010
	6,79,568	2,55,010

(Unsecured, considered Doubtful)

Other advances to suppliers	10,00,000	10,00,000
Less: Provision for doubtful advances	(10,00,000)	(10,00,000)
	-	-
	6,79,568	2,55,010

NOTE-5

INVENTORIES

(As taken, valued and certified by the Management)

Raw Material	1,02,67,185	1,50,56,419
Stock Work In Progress	6,60,38,534	6,38,68,264
Finished Goods	1,00,11,836	2,03,80,924
Traded Goods		-
Packing Material	13,54,740	-
Stores & Spares	5,33,989	-
Fuel	5,77,675	-
	8,87,83,960	9,93,05,607

Particulars	As on 31.03.2019 Amount (Rs.)	As on 31.03.2018 Amount (Rs.)
NOTE-6		
TRADE RECEIVABLE		
(Unsecured and considered good) *		
Debts outstanding for a period exceeding six months from the date they are due for payment	8,46,090	8,46,090
Less : provision for doubtful debts	(8,46,090)	(8,46,090)
(Unsecured and considered good) *	-	-
Debts outstanding for a period not exceeding six months from the date they are due for payment	-	-
Other debts Unsecured, considered good	7,56,94,106	6,65,19,624
	7,56,94,106	6,65,19,624
NOTE-7		
CASH AND CASH & EQUIVALENTS		
Cash on hand	16,184	30,645
Balance with banks		
in Cash credit accounts	1,00,37,761	-
in Current accounts	46,347	51,064
	1,01,00,292	81,709
NOTE-8		
OTHER BANK BALANCES		
in Fixed Deposits (Margin Money)*	68,58,277	57,47,116
*(Under Lien towards margin of Letter of credits & Guarantees)	68,58,277	57,47,116
NOTE-9		
OTHER CURRENT FINANCIAL ASSET		
(Unsecured, considered good)		
IT Refund receivable	6,68,764	8,70,981
	6,68,764	8,70,981
NOTE-10		
OTHER CURRENT ASSETS		
(Unsecured and considered good)		
Prepaid expenses	3,11,122	20,85,030
Prepaid Rent - Current	4,15,858	-
Advances for supply of goods & services	20,21,976	33,06,986
Advances for capital Goods	4,76,067	2,96,400
Staff advances	(1,60,367)	71,951
Drawback, MEIS & GST credits	3,36,18,382	2,34,93,238
	3,66,83,039	2,92,53,606
NOTE-11		
EQUITY		
i) SHARE CAPITAL		

AUTHORISED:		
1,50,00,000 (1,50,00,000) Equity shares of Rs. 10/- each	15,00,00,000	15,00,00,000
	15,00,00,000	15,00,00,000
ISSUED, SUBSCRIBED & PAID UP		
1,15,44,000 (1,15,44,000) Equity shares of Rs.10/- each fully paid up	11,54,40,000	11,54,40,000
	11,54,40,000	11,54,40,000

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	No. of shares	Amount
At the beginning of the period	1,15,44,000	11,54,40,000
Issued during the period	-	-
Outstanding at the end of the period	1,15,44,000	11,54,40,000

b) Terms / rights attached to equity shares

1. The Company has only one class of shares referred to as equity shares having a par value of `10/- Each holder of equity shares is entitled to one vote per share.

c) Details of shareholders holding more than 5% shares of the company

Equity share of Rs 10/-each fully paid

Particulars	No. of Shares	% of Holding
Vista Finance & Leasing Pvt.Ltd		
As at 31 March, 2018	39,64,100	34.34
As at 31 March, 2019	39,64,100	34.34
Usma Investment Pvt.Ltd		
As at 31 March, 2018	32,95,200	28.55
As at 31 March, 2019	32,95,200	28.55

- d) As per the records of the company, including its register of the shareholders/ members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownerships of shares

Particulars	As on 31.03.2019 Amount (Rs.)	As on 31.03.2018 Amount (Rs.)
NOTE-12		
RESERVE & SURPLUS		
a) CAPITAL RESERVE		
State Subsidy		
Balance as per last financial statements	20,00,000	20,00,000
b) REVALUATION RESERVE		
Balance as per last financial statements	5,63,26,923	5,63,26,923
Less: Adjustment in the current financial year	-	-
Closing Balance	5,63,26,923	5,63,26,923
c) SURPLUS IN THE STATEMENT OF PROFIT & LOSS		
Balance as per Last year	5,88,54,697	6,58,63,064
Profit/(Loss) for the year	3,20,42,074	(69,41,477)
Add / (Less) : IND AS Adjustments	36,140	(66,890)
Closing Balance	9,09,32,911	5,88,54,697
	14,92,59,834	11,71,81,620

NOTE-13**NON-CURRENT FINANCIAL LIABILITIES****i) BORROWING****SECURED TERM LOANS (LONG TERM BORROWING)**

a) Vehicle loan from Banks	-	1,19,916
(secured by hypothecation of Vehicles)		
	-	1,19,916

- b) The Vehicles term loans are payable over a period of 5 years with interest @ 11.25% which is fully repaid in July 2019

Particulars	As on 31.03.2019 Amount (Rs.)	As on 31.03.2018 Amount (Rs.)
NOTE-14		
PROVISIONS - Non Current		
Provision for Gratuity	25,95,292	20,43,463
	25,95,292	20,43,463
NOTE-15		
DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities		
Balance at the beginning of the year	1,59,70,438	1,64,38,361
Difference between tax and book depreciation	1,80,97,004	1,64,38,361
Provision for doubtful advances	2,78,200	2,57,500
Business Loss	-	-
Timing Differences pursuant to sect 43B of the Income tax Act	(4,29,553)	2,10,423
	(1,51,353)	4,67,923
	1,82,48,357	1,59,70,438
NOTE-16		
SECURED CURRENT BORROWING		
a] Cash Credit	-	95,94,115
b] Export Packing Credit	-	2,39,80,000
	-	3,35,74,115
a) Note on Nature of Security on secured loan (The above borrowing from Bank is secured by hypothecation of present and future stock of raw material, stock in process and Finished goods and book debts of the company, and further secured by first charge by way of equitable mortgage of land and building, plant and machineries and all immovable properties of the company situated at T 140 MIDC Tarapur, Dist-Thane and further guaranteed by Managing Director of the company and is repayable on demand)		
b) Working capital borrowing carry interest rate of 11.55% per annum		
NOTE-17		
TRADE PAYABLE		
Total outstanding dues of micro enterprises and small enterprises	43,54,973	1,26,44,149
Total outstanding dues of other than micro enterprises and small enterprises	6,41,04,947	4,70,93,203
Total	6,84,59,920	5,97,37,352
Trade payable to related parties (Refer Note 37)	2,10,49,510	1,56,45,395
Trade payable to others	4,74,10,410	4,40,91,957
Total	6,84,59,920	5,97,37,352
Note		
Detail of dues to micro and small enterprises as define under MSMED act, 2006		
a) The principal amount and interest due thereon remaining unpaid to suppliers		
I Principal	43,54,973	1,26,44,149
II Interest due thereon	-	-
b) I the delayed payment of principal amount paid beyond the appointed date during the year	52,74,851	-
II Interest actually paid under Section 16 of the delayed payments, as per the agreed terms.	-	-
c) I Interest accrued during the year, for all the delayed payments, as per the agreed terms.	-	-
II Interest payable for the period of delay in making payments, as per the agreed terms.	-	-
d) I Total interest accrued during the year	-	-
II Total interest accrued during the year and remaining unpaid	-	-
e) Further interest remaining due and payable for earlier years	-	-
The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information and confirmation available with the company as per March 31st 2019.		

Particulars	As on 31.03.2019 Amount (Rs.)	As on 31.03.2018 Amount (Rs.)
NOTE-18		
OTHER CURRENT FINANCIAL LIABILITIES		
Tax Deducted at source payable	9,78,061	12,02,954
Current maturities of long term debts	1,19,916	3,45,187
Statutory dues payable	2,85,701	1,56,503
Outstanding salaries & expenses	57,20,087	2,00,42,205
	71,03,765	2,17,46,848
NOTE-19		
OTHER CURRENT LIABILITIES		
Advances from customers	58,79,450	7,88,960
Creditors for Capital Goods	-	7,76,991
	58,79,450	15,65,951
NOTE-20		
Provision - Current		
Provision for Gratuity	7,22,742	8,26,980
	7,22,742	8,26,980
Particulars	Year Ended 31.03.19 Amount (Rs.)	Year to date 31.03.18 Amount (Rs.)
NOTE-21		
REVENUE FROM OPERATIONS		
Sale of Products		
Finished Goods	45,12,61,638	38,04,83,019
Traded Goods	25,66,800	-
Others Sale	5,84,198	-
	45,44,12,636	38,04,83,019
Less GST on Sale	3,81,18,497	2,87,85,996
	41,62,94,139	35,16,97,023
Sale of Service		
Conversion (Job) Charges	-	79,10,325
	41,62,94,139	35,96,07,348
NOTE-22		
OTHER INCOME		
Interest on Fixed deposit with bank	4,08,284	4,98,124
Gain on exchange fluctuation	30,99,428	25,96,103
Unwinding Interest Income	3,83,996	4,65,681
Export Benefit/Duty Drawback	1,00,11,385	74,26,890
Other Receipts	14,255	91,924
	1,39,17,348	1,10,78,722
NOTE-23		
COST OF RAW MATERIAL CONSUMED		
Inventory at the beginning of the period	1,50,56,419	99,90,505
Add : Purchases	16,76,21,812	12,49,86,200
	18,26,78,231	13,49,76,705
Less: Inventory at the end of the period	1,27,33,590	1,50,56,419
	16,99,44,641	11,99,20,286

Particulars	Year Ended 31.03.19 Amount (Rs.)	Year to date 31.03.18 Amount (Rs.)
NOTE-24		
PURCHASES OF TRADED GOOD		
(a) Purchases	17,25,000	1,20,80,224
	17,25,000	1,20,80,224
NOTE-25		
(INCREASE) / DECREASE IN INVENTORIES		
Inventories at the end of the year		
Work in progress	6,60,38,534	6,38,68,264
Finished goods	1,00,11,836	2,03,80,924
	7,60,50,370	8,42,49,188
Inventories at the beginning of the year		
Work in progress	6,38,68,264	5,15,45,126
Finished goods	2,03,80,924	7,19,81,180
	8,42,49,188	12,35,26,306
	81,98,818	3,92,77,118
NOTE-26		
EMPLOYEE BENEFITS EXPENSES		
Salaries and wages	2,69,11,949	3,26,30,863
Workmen and staff welfare expenses	23,75,659	12,11,686
Provision for Gratuity Expenses	4,42,050	12,41,604
	2,97,29,658	3,50,84,153
NOTE-27		
OTHER EXPENSES		
Stores & Spares Part Consumed	42,22,929	72,18,823
Packing Material Consumed	46,13,302	26,99,484
Conversion Charges	5,67,82,451	4,47,86,167
Power & Fuel	4,31,27,936	4,54,09,196
Freight & Transport Charges	1,36,80,858	1,53,84,774
Excise duty expenses	-	-63,54,750
Repair & Maintenance		
For Plant & Machineries	51,60,207	46,27,890
For Buildings	5,42,776	8,41,045
For Others	5,51,789	14,07,681
Traveling, Conveyance, Lodging & Boarding	21,48,200	38,35,111
Postage, Telephone & Internet Charges	9,17,311	8,13,527
Professional & Legal Expenses	35,81,430	65,52,595
Insurance Premium	13,20,334	9,67,679
Rent	31,87,249	24,83,394
Rates & Taxes	20,50,540	11,75,253
Commission	7,29,234	12,83,175
Discount	22,80,802	24,95,152
R & D Expenses	90,23,992	67,63,468
Director Sitting Fee	4,86,117	6,83,342
Audit Fees	5,00,000	7,73,225
Other Expenses	28,47,988	29,32,864
	15,77,55,442	14,67,79,094

Particulars	Year Ended 31.03.19 Amount (Rs.)	Year to date 31.03.18 Amount (Rs.)
NOTE-28		
INTEREST & FINANCIAL COST		
Interest on fixed term Loan	29,741	62,714
Interest on others	27,93,601	33,76,215
Financial Charges	25,35,869	20,44,943
	53,59,210	54,83,872
NOTE-29		
DEPRECIATION		
Depreciation for the year (Ref note 2)	90,64,845	1,14,62,006
Less: Transferred to Revaluation reserve		
	90,64,845	1,14,62,006
NOTE-30		
EXCEPTIONAL ITEMS		
Insurance Claim- Loss by fire	-1,67,206	2,60,925
	-1,67,206	2,60,925
NOTE-31		
Prior Period Items		
Deffer tax on Gratuity	6,82,499	-
	6,82,499	-

NOTE-32**Segment Reporting as per Ind AS 108**

The company does not have any reportable segment as per Ind As 108 and thus Segment Reporting is not applicable.

NOTE-33**Employee benefit obligation****Post Employment Benefit Plans****(a) Gratuity:**

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for the period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employee last drawn salary per month computed proportionately for 15 days salary multiplied for the number of services.

Movement in Obligation

(Amount in Rupees)

Particulars	As at March 31, 2019	As at March 31, 2018
PVO at the beginning of the Year	28,70,443	26,85,941
Interest Cost	2,07,820	1,73,675
Past Service Cost (unvested benefits)	-	-
Current Service Cost	2,34,230	3,57,048
Past Service Cast – Vested Benefit	-	8,29,958
Current Cost/ (Credit)	-	-
Benefits Paid	-	-1,79,813
Actuarial (Gain) / Loss	5,541	-9,96,366
PVO at the end of the Year	33,18,034	28,70,443

Recognised in Profit and loss

Particulars	As at March 31, 2019	As at March 31, 2018
Current Service Cost	2,34,230	3,57,048
Past Service Cost (non vested benefits)	-	-
Net Interest Cost	2,07,820	1,73,675
Past Service Cost – Vested Benefit	-	8,29,958
Employees' Contribution	-	-
Benefits Paid	-	-1,79,813
Actuarial (Gain) / Loss	5,541	-9,96,366
Total Expenses recognized in Profit and Loss A/c	4,47,591	1,84,502

Other Comprehensive Income for the period

Particulars	As at March 31, 2019	As at March 31, 2018
Component of actuarial gain/losses on obligation:		
Due to change in financial assumption	2,77,568	(32,954)
Due to change in demographic assumption	-	-
Due to change in experience adjustment	(2,72,027)	(9,63,412)
Return on plan assets excluding amounts included in interest income	-	-
Total Expenses recognized in Other Comprehensive Income A/c	5,541	(9,96,366)

Reconciliation of net defined benefit - Gratuity Liability

Particulars	As at March 31, 2019	As at March 31, 2018
Net opening provisions in books of accounts	28,70,443	26,85,941
Transfer in/(out) obligation	5,541	(9,96,366)
Transfer in/(out) plan asset	-	-
Employee benefit expenses	4,42,050	13,60,681
Amounts recognized in Other Comprehensive Income	-	-
Benefits paid by the Company	-	(1,79,813)
Contributions to plan assets	-	-
Closing provisions in books of accounts	33,18,034	28,70,443

Funded status of the plan

Particulars	As at March 31, 2019	As at March 31, 2018
Present value of unfunded obligation	-	-
Present value of funded obligation	33,18,034	28,70,443
Fair value of plan asset	-	-
Net Liability/(Asset)	33,18,034	28,70,443

Sensitivity Analysis of Gratuity:

Particulars	Impact on defined benefit obligation(in %)	
	As at March 31, 2019	As at March 31, 2018
1% Increase in Discount rate	32,19,116	27,87,344
1% Decrease in Discount rate	34,24,243	29,58,884
1% Increase in Salary growth rate	33,77,643	29,13,310
1% Decrease in Salary growth rate	32,62,372	28,30,098

Sensitivity Analysis Method

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged. Hence, the result may vary if two or more variables are changed simultaneously. It fails to focus on the interrelationship between underlying parameters. The methods used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

Following are the Principal Actuarial Assumptions used as at the Balance Sheet date :

Particulars	As at March 31, 2019	As at March 31, 2018
Discount Rate	6.85%	7.24%
Salary Escalation Rate – Management Staff	10.00%	5.00%
Turnover Rate	20.00%	20.00%
Mortality Table	IALM (2006-08) Ult	IALM (2006-08) Ult

(C) Risk Exposure

Though its defined benefit plans, the Company is expose to number of risks, the most significant of which are detailed below:

1. Acturial risk :

It's the risk that benefit will cost more than expected. This can arise due to following reasons:

- Adverse salary growth experience : salary hikes that are higher than the assumed salary escalation will result in an increase in obligation at a rate that is higher than expected.
- Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.
- Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

2. Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

3. Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the Company there can be strain on the cashflows.

4. Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

5. Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

NOTE-34

Fair values

Fair value measurement include both the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

NOTE-35**Financial risk management objectives and policies**

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

Carrying amount of financial assets and liabilities:

The following table summaries the carrying amount of financial assets and liabilities recorded at the end of the period by categories:

Amount in Rs.		
Particulars	As at 31-March-2019	As at 31-March-2018
Financial assets		
Cash and bank balances	1,69,58,569	58,28,825
At end of the year	1,69,58,569	58,28,825
Financial liabilities		
Borrowings	-	4,65,103
Other financial liabilities	71,03,765	2,14,01,661
At end of the year	71,03,765	2,18,66,764

Credit risk on financial assets

The company is engaged in business of manufacturing of Pyridine, Picoline, Cynopyridine and derivatives of the same. Bulks drugs and nutritional products are toll converted. Receivables are typically not secured by any form of credit support such as letters of credit, performance guarantees or escrow arrangements. Credit risk is the risk that counterparty will not meet its obligations under a financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks and other financial instruments.

Financial assets that are potentially subject to concentrations of credit risk and failures by counter-parties to discharge their obligations in full or in a timely manner consist principally of cash, cash equivalents and other receivables. Credit risk on cash balances with Bank are limited because the counterparties are entities with acceptable credit ratings. The exposure to credit risk for loan to related parties is limited because the related parties are entities with acceptable credit rating.

Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Amount in Rs.		
Particulars	As at 31-March-2019	As at 31-March-2018
Borrowings	-	4,65,103
Other financial liabilities	71,03,765	2,14,01,661
Less: cash and cash equivalents	(1,69,58,569)	(58,28,825)
Net debt	(98,54,805)	1,60,37,940
Equity share capital	11,54,40,000	11,54,40,000
Equity component of financial instruments	14,92,59,834	11,71,81,620
Total equity		
Total member's capital	26,46,99,834	23,26,21,620

Particulars	As at 31-March-2019	As at 31-March-2018
Capital and net debt	25,48,45,029	24,86,59,559
Gearing ratio (%)	(3.87)	6.45

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

NOTE-37**Related Party Disclosures**

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

a) List of the related party

(Amount in Rupees)

Particulars	Relationship	(% of holding)	
		As at March 31, 2019	As at March 31, 2018
Mr. Alok Gupta	Promoters	0.36%	0.36%
Mr. Anoop Gupta	Promoters	0.20%	0.20%
Dr. Atma Bandhu Gupta	Promoters	0.00%	0.00%
Avignon Chemicals Pvt Ltd	Promoters	1.27%	1.27%
Mrs. Usha Gupta	Promoters	0.00%	0.00%
Ushma Investments Pvt Ltd	Promoters	28.55%	28.55%
Vista Finance & Leasing Pvt Ltd	Promoters	34.34%	34.34%
Mr. Satish Chander Mathur	Director	0.00%	0.00%

b) Key Management Personnel of Company

Managing Director	Dr Atma Bandhu Gupta
Whole time Director	Mr. Satish Chander Mathur (resigned w.e.f. 14.11.2018)
Independent Director	Mrs. Archana Surendra Yadav
Independent Director	Dr. Yaqoob Ali
Independent Director	Mr. Laxmi Ratan Daga (resigned w.e.f. 18.03.2019)
Non Executive Director	Mr. Bishwanath Prasad Agrawal
Chief Financial Officer	Mrs. Shital Churi (resigned w.e.f. 14.08.2018)
Chief Financial Officer	CA Dwarika Agrawal (appointed w.e.f. 14.08.2018)
Company Secretary	Mrs. Minal Bhosale (resigned w.e.f. 14.08.2018)
Company Secretary	Ms. Priyanka Shah (appointed w.e.f. 11.10.2018)
Company Secretary	Ms. Priyanka Shah (resigned w.e.f. 31.01.2019)
Company Secretary	Mr. Sagar Lambole (appointed w.e.f. 14.02.2019)

c) Transactions during the year with related parties

Name of the party	Nature of transactions	As at March 31, 2019	As at March 31, 2018
Dr. Atma Bandhu Gupta	Director Remuneration	46,86,402	48,28,725
Mr. Satish C Mathur	Consultancy Fees	11,47,500	13,44,918
Meeting held in Quarter 1 FY 2018-19	Director Sitting Fees	1,25,001	1,77,780
Ms. Archana Surendra Yadav		44,445	44,445
Dr. Yaqoob Ali	Leave of Absence		44,445
Mr Laxmi Ratan Daga		44,445	44,445
Mr. Bishwanath Prasad Agrawal		36,111	44,445

Name of the party	Nature of transactions	As at March 31, 2019	As at March 31, 2018
Meeting held in Quarter 2 FY 2018-19	Director Sitting Fees	1,77,780	1,77,780
Ms. Archana Surendra Yadav		44,445	44,445
Dr. Yaqoob Ali		44,445	44,445
Mr Laxmi Ratan Daga		44,445	44,445
Mr. Bishwanath Prasad Agrawal		44,445	44,445
Meeting held in Quarter 3 FY 2018-19	Director Sitting Fees	1,88,891	1,33,335
Mrs. Archana Surendra Yadav		44,445	44,445
Dr. Yaqoob Ali		44,445	Leave of Absence
Mr Laxmi Ratan Daga		55,556	44,445
Mr. Bishwanath Prasad Agrawal		44,445	44,445
Meeting held in Quarter 4 FY 2018-19	Director Sitting Fees	1,88,891	1,33,335
Ms. Archana Surendra Yadav		44,445	44,445
Dr. Yaqoob Ali		44,445	44,445
Mr Laxmi Ratan Daga		55,556	44,445
Mr. Bishwanath Prasad Agrawal		44,445	Leave of Absence
Vista Organics Pvt Ltd	Conversion Charges	5,67,82,451	5,10,94,918
	Purchase of Raw Materials	17,25,000	1,21,25,820
Avignon Exim Pvt Ltd	Sales	37,71,073	36,27,435
	Conversion Charges Income	NIL	79,10,325
Ascent Financial Services - Interest of Mr. L. R. Daga	Professional Fees	NIL	1,56,000
Ramanand Associates - Interest of Ms. Archana Surendra Yadav	Professional Fees	NIL	59,000
Y-Chem Consulting Interest of Dr. Yaqoob Ali	Professional Fees	4,32,000	2,36,000
Neha Consulting Agency - Interest of Mr. Bishwanath Prasad Agrawal	Professional Fees	NIL	1,96,200
Bishwanath Prasad Agrawal	Professional Fees	1,85,300	1,05,000
Ushma Investments Pvt Ltd	Rent	9,00,000	7,20,000
Avignon Chemicals Pvt Ltd	Rent	9,00,000	7,20,000
Vista Finance & Leasing Pvt Ltd	Rent	9,00,000	7,20,000
Mrs. Usha Gupta	Salary	8,00,004	8,00,000

d) Balance outstanding of related parties

Name of the Party	Receivable /(Payable)	As at March 31, 2019	As at March 31, 2018
Vista Organics Pvt Ltd	Receivable / (Payable)	-2,10,49,510	-1,56,45,395
Avignon Exim Pvt Ltd.	Receivable / (Payable)	10,49,854	1,47,84,763
Ushma Investments Pvt Ltd	Receivable / (Payable)	Nil	4,32,000
Avignon Chemical Pvt Ltd	Receivable / (Payable)	Nil	Nil
Vista Finance & Leasing Pvt Ltd	Receivable / (Payable)	Nil	Nil
Neha Consulting Agency	Receivable / (Payable)	Nil	-32,700
Ascent Financial Services	Receivable / (Payable)	Nil	Nil
Mr. Laxmi Ratan Daga	Receivable / (Payable)	Nil	-40,000
Bishwanath Prasad Agrawal	Receivable / (Payable)	Nil	-1,01,700
Dr. Atma Bandhu Gupta	Receivable / (Payable)	Nil	Nil
S. C. Mathur	Receivable / (Payable)	1,44,423	Nil
Y-Chem Consulting	Receivable / (Payable)	2,95,000	2,95,000

e) Key Management Personnel Compensation

Particulars	As at March 31, 2019	As at March 31, 2018
Post-employment benefits		
Short-term employee benefits		
Company Secretary	2,85,530	4,73,211
Chief Financial Officer	10,70,669	4,06,822
Total	13,56,199	8,80,033

NOTE-38**Contingent Liabilities**

Particulars	Guarantees excluding financial guarantees	
	As at March 31, 2019	As at March 31, 2018
Bank Guarantee issued by banks on behalf of the Company against lien of fixed deposit receipts:	44,10,855	1,00,000
Sales Tax Demand against which the company has filed appeal for the AY 2005-06 to AY 2009-10 for which Appeal Order Pass on 10/07/2017 that the assessment order pass by the assessing authority is set-aside. The case is remanded back to Deputy Commissioner of Sales Tax Palghar for fresh assessment under sub-section 7 of section 23 of the CST Act 1956.	-	20,28,11,451
Letter of Credit Outstanding	96,76,144	2,39,80,000
Demand raised by Income Tax Authority for the A.Y.2013-14, the same is contested for appeal in Income Tax Appellate Tribunal by the company and the ordered of the same in the company favour.	-	16,18,770
Claim against the company by a customer but not admitted. The outcome of the same is pending in City Civil Court, Mumbai. Pending the outcome the same is considered as contingent liability in the current year.	33,63,214	33,63,214
Common input matter of INH for the period December 2002 to October 2006 order pass by the joint commissioner, central excise, thane. Against which company file appeal before the commissioner (appeals) and order was passed in favor company, against which Department has filed appeal to Appellate Tribunal, as per the order of the Appellate Tribunal case was remanded back to adjudicating authority. Pending outcome of the same is considered as contingent liability in the current year.	63,81,962	63,81,962
Inadmissible CENVAT credit taken for the period February 2007 to March 2010 order pass by assistant commissioner, Central Excise. Against which company has file Appeal to Commissioner of (appeals), the order was in the favor of the department. The company has filed appeal to Appellate Tribunal (CESTAT). Pending outcome of the same is considered as contingent liability in the current year.	32,23,501	32,23,501
Total	2,70,55,676	24,14,78,898

NOTE-39**Capital Commitments**

- a) Capital expenditure contracted at the end of the reporting period but not recognised as liability is as follows : There were no capital liability yet to be recognized
- b) The Company had cancellable operating leases which expired as on 31st March'21.

NOTE-40**Earning per Share**

Particulars	As at March 31, 2019	As at March 31, 2018
Basic Earning Per Share		
Profit/(Loss) attributable to Equity	3,20,42,074	(69,41,477)
Weighted average number of equity Shares	1,15,44,000	1,15,44,000
Face value per Share	10	10
Basic Earnings Per Share (in Rs.)	2.78	(0.60)
Diluted Earnings per Share (in Rs.)	2.78	(0.60)

Note 41**Events Occuring After the Balance Sheet Date**

No subsequent event has been observed which may required an adjustment to the statement of financial position.

As per our report of even date attached

For V.R.Bhabhra & Co

Firm Registration No. 112861W

Chartered Accountants

CA Vimal R Bhabhra

Partner

Membership No.046043

Place: Mumbai,

Dated 29-May-2019

For & on behalf of the Board

For RESONANCE SPECIALTIES LIMITED

Dr. A B GUPTA

Managing Director

DIN: 00025255

Mr. Sagar Lambole

Company Secretary

Ms. Archana Yadav

Director

DIN:07335198

CA. Dwarika Agrawal

Chief Financial Officer

RESONANCE SPECIALTIES LIMITED

Registered Office: 301, Evershine Mall, Chincholi Bunder Junction, Off. Malad Link Road, Malad (West), Mumbai - 400064.

Tel No: +91(22) 42172222, **Email:** investors@resonancesl.com, **Website:** www.resonancesl.com

CIN: L25209MH1989PLC051993

ATTENDANCE SLIP

30th Annual General Meeting – 28th September, 2019

Registered Folio No. / DP ID & Client ID: _____

Name(s) of Shareholder(s) (Including joint holders if any): _____

_____ Registered Address of the Sole/ First

Named Shareholders: _____

No. of Shares held: _____

I certify that I am a registered Member / Proxy for the registered Member of the Company. I hereby record my presence at the 30th Annual General Meeting of the Company held at Raheja Classique Club, Infinity Mall, New Link Road, Andheri (West), Mumbai 400058, on Saturday, 28th September, 2019 at 11.00 am.

Name of the Member / Proxy:

Sign of the Member / Proxy*

(* in case of authorized representative of a body corporate, certified true copy of the relevant authorization viz. Board Resolution/power of attorney should be sent along with ballot form)

Note: Shareholder/ Proxy are requested to bring this Attendance slip at the meeting and handover the same at the entrance duly signed.

EVSN (E-Voting System Number)	USER ID	PASSWORD / PIN
190821042	Please Refer Note no.18 in the notice	

RESONANCE SPECIALTIES LIMITED**Regd. Office:** 301, Evershine Mall, Chincholi Bunder Junction, Off. Malad Link Road, Malad (West), Mumbai - 400064.**Tel No:** +91(22) 42172222, **Email:** investors@resonancesl.com, **Website:** www.resonancesl.com**CIN:** L25209MH1989PLC051993**FORM No. MGT - 11****Proxy Form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s):			
Registered address :			
E-mail Id :			
Folio No / Client ID / DP ID:		No. of Shares held:	

I/We, being the member (s) of _____ shares of the above named Company, hereby appoint

1. Name _____ of _____
Email id _____ signature _____ or failing him2. Name _____ of _____
Email id _____ signature _____ or failing him3. Name _____ of _____
Email id _____ signature _____as my/our proxy to attend and vote through ballot or (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the Company, to be held on the Saturday, 28th September, 2019 at 11.00 am. at Raheja Classique Club, Infinity Mall, New Link Road, Andheri (West), Mumbai 400 058 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	RESOLUTIONS	For	Against
Ordinary Business			
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019, including the Audited Balance Sheet as at 31st March, 2019, the statement of Profit & Loss for the financial year ended on that date together with the Reports of the Board of Directors and Auditors thereon.		
2	To appoint a Director in place of Mr. B. P. Agrawal having DIN (02724594), who retires by rotation and being eligible, offers himself for re-appointment.		
3	To ratify the appointment of V. R. Bhabhar & Co., Chartered Accountants (Firm Registration No. 112861W) as Statutory Auditors of the Company.		
Special Business			
4	Continuation of Directorship of Mr. B. P. Agrawal as Non-Executive Director of the Company		
5	Confirmation of Appointment of Mr. Pankaj Khandelwal, as an Executive Director of the Company		
6	Approval for entering into Related Party Transactions by the Company		

Signed this.....day of2019

Signature of Shareholder.....Signature of Proxy holder(s).....

Note:

Affix Revenue Stamp of Re.1/-
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- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- Please put X in the appropriate column against the resolutions indicated in the Box. If you leave the columns blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

APPEAL TO MEMBERS

Green Initiative in Corporate Governance

The Ministry of Corporate Affairs (MCA) had taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and had issued circular no. 17/2011 dated 21.04.2011 and circular no. 18/2011 dated 29.04.2011 allowing service of documents to shareholders through electronic mode by the Companies. Further, the appeals were also made to the Members in this regard in the earlier Annual Reports of the Company.

Since the Company is committed towards Green Initiative, we solicit your valuable cooperation and support in our endeavour to contribute our bit to the environment and it is earnestly requested again that the Members who have yet not registered/updated their email IDs may notify the same to the Company either at the e-mail id – investors@resonancesl.com and quoting full details of Folio No./DP, Client ID and name of first/sole holder or to the concerned depository or to the Registrar and Share Transfer Agent i.e. Adroit Corporate Services Private Limited at the e-mail id – sandeeph@adroitcorporate.com at the earliest.

This is also a golden opportunity for every member of Resonance Specialties Limited to contribute towards a Greener Environment by consenting to receive communications in electronic form. Further by registering your email ids, the members can have all the correspondence with the company/ RTA through mail in order to curtail the physical communication to have speedy and cost effective correspondence as the registered mail would be the entrusted source of member's application.

Also the members are requested to update their Bank Account details in order to have hassle-free credit of Dividends declared in future directly in their bank account and the request for the same can be done via email after registering their email ids or by sending the completed and signed National Electronic Clearing Service (Credit Clearing) Mandate form to the RTA.

For Resonance Specialties Limited

Company Secretary

Place: Mumbai

Date : 31st August, 2019

NATIONAL ELECTRONIC CLEARING SERVICE (CREDIT CLEARING) MANDATE FORM

To,
Adroit Corporate Services Private Limited
Unit: 19/20, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka, Mumbai - 400059

Dear Sir,

Sub: Change in mode of payment to NECS

I, hereby consent to have the amount of dividend on my equity shares credited through National Electronic Clearing Service (NECS).

Particulars are as under:

1. Folio Number /DP ID- CLIENT ID: _____
2. Shareholders' Name: _____
3. Address - _____
4. Contact No. _____
5. Email Id: _____

Particulars of Bank:

- a) Name of the Bank, Branch and Address: _____
- b) Bank Account Number: _____
- c) Account Type: Saving Bank (S.B.)/ Current/ Cash Credit
- d) 9 Digit MICR Bank/Branch Code* _____

(* Please attach a photocopy/ cancelled cheque issued by your bank)

I hereby declare that particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold Company/Registrar and Share Transfer Agent of the Company responsible. I also undertake to advise any change in the particulars of my account to facilitate updation of records for purpose of credit of dividend amount through NECS.

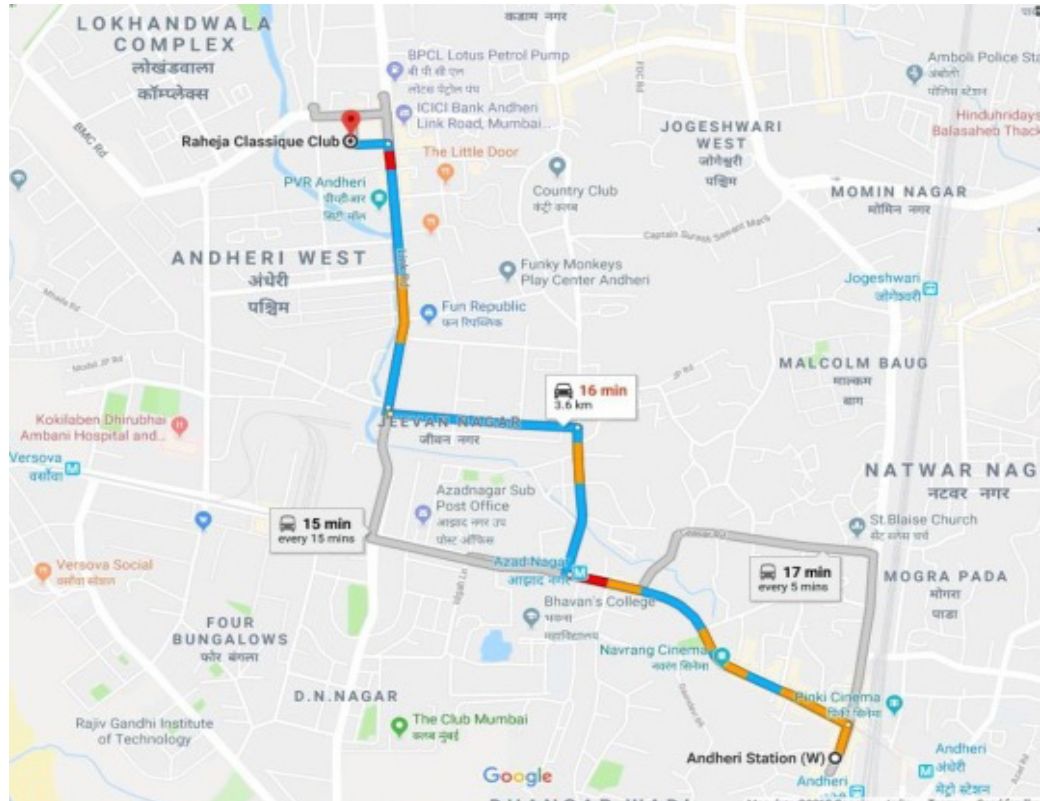
Place:

Date:

Signature of Shareholder

Road Map to venue

Andheri west, Mumbai, Maharashtra to Oshiwara Road Andheri west Mumbai 400053
Drive 2.2km, 10 min Link



BY COURIER

If undelivered please return to:



Resonance Specialties Limited

301, Evershine Mall, Chincholi Bunder Junction, Off Malad Link Road, Malad (W) Mumbai-4000064
Tel.: +91 (22) 4217 2222 Email : info@resonancesl.com | Website : www.resonancesl.com